



# AGENDA | REGULAR TOWN COUNCIL MEETING

Tuesday, December 15, 2020 at 6:00 PM

Council Chamber at Apex Town Hall, 73 Hunter Street

## Council and Administration

Mayor: Jacques K. Gilbert | Mayor Pro Tem: Nicole L. Dozier

Council Members: Brett D. Gantt; Audra M. Killingsworth; Cheryl F. Stallings; Terry Mahaffey

Town Manager: Drew Havens | Assistant Town Managers: Shawn Purvis and Marty Stone

Town Clerk: Donna B. Hosch, MMC | Town Attorney: Laurie L. Hohe

## COMMENCEMENT

Call to Order | Invocation | Pledge of Allegiance

## PRESENTATIONS

[PR1](#) Keith Joyce of Joyce and Company, Independent Auditor  
Presentation of June 30, 2020 audit report from Joyce and Company

## CONSENT AGENDA

All Consent Agenda items are considered routine, to be enacted by one motion with the adoption of the Consent Agenda, and without discussion. If a Council Member requests discussion of an item, the item may be removed from the Consent Agenda and considered separately. The Mayor will present the Consent Agenda to be set prior to taking action on the following items

- [CN1](#) Donna Hosch, Town Clerk  
Motion to approve Minutes of the November 4, 2020 Regular Council Meeting, the November 17, 2020 Regular Council Meeting, the November 24, 2020 Special Council Meeting, and the December 1, 2020 Regular Council Meeting
- [CN2](#) Donna Hosch, Town Clerk  
Motion to approve the Apex Tax Report dated October 5, 2020
- [CN3](#) Jacques K. Gilbert, Mayor  
Motion to reappoint all members of the Bee City Committee – Kaitlin Hartman, Michael Erana, Heidi Deja, Guy Loeffler, and Jennifer Springer – to a second term and to appoint a new member, Kimberly Rossi, to a first term to fill the current vacancy on the Committee
- [CN4](#) Jacques K. Gilbert, Mayor  
Motion to approve re-appointments of Reginald Skinner and Tim Royal to the Planning Board as their terms expire December 31, 2020, and to name Michael Marks as Chair and Reginald Skinner as Vice Chair

- [CN5](#) Jacques K. Gilbert, Mayor  
Motion to approve Renisha Battle to fill a vacant seat left by Jane Wolfgang on the Public Art Committee
- [CN6](#) Sarah Van Every, Senior Planner  
Motion to approve Findings of Fact, Conclusions of Law and Decision approving a Major Site Plan for Crossroads Ford Truck Center located at 1200 Key Ring Drive.
- [CN7](#) Amanda Bunce, Current Planning Manager  
Motion to set the Public Hearing for the January 12, 2021 Town Council meeting regarding amendments to the Unified Development Ordinance related to the deadline for the submittal of requested quarterly receipts for businesses that serve alcohol for on-premise consumption.
- [CN8](#) Russell Dalton, Sr Transportation Engineer  
Motion to approve Amendment to Design Services Agreement – Supplemental 1 with Stantec Consulting Services Inc., for Downtown Streetscape and Parking Design in the amount of \$10,000 and the corresponding Capital Project Ordinance Amendment No. 2021-03.
- [CN9](#) John M. Brown, Director  
Motion to approve contract with Field Turf USA Inc. for conversion of multi-purpose athletic field at Salem Pond Park to synthetic turf and authorize Town Manager to sign all related documents / agreements.
- [CN10](#) Marty Stone, Assistant Town Manager  
Motion to approve an Encroachment Agreement and to authorize the Town Manager to execute the same for Lennar Carolinas, LLC to install a private water line that will encroach on the Town's right-of-way and public drainage easement.
- [CN11](#) Mitch McKinney, Deputy Chief of Police  
Motion to approve one "Chief of Police" badge and one handgun (described below) be declared "surplus", that the price for such handgun be set at \$1.00 (One Dollar), and that the badge and handgun be awarded to Retiring Police Chief John W. Letteney.
- [CN12](#) John M. Brown, Director  
Motion to approve temporary change in park hours at Apex Nature Park

#### REGULAR MEETING AGENDA

Mayor Gilbert will call for additional Agenda items from Council or Staff and set the Regular Meeting Agenda prior to Council actions.

#### PUBLIC FORUM

Public Forum allows the public an opportunity to address the Town Council. The speaker is requested not to address items that appear as Public Hearings scheduled on the Regular Agenda. The Mayor will recognize those who would like to speak at the appropriate time. Large groups are asked to select a representative to speak for the entire group. Comments must be limited to 3 minutes to allow others the opportunity to speak.

## PUBLIC HEARINGS

- [PH1](#) Joanna Helms, Economic Development Director  
Public Hearing and possible motion to approve the conveyance of +/-26 acres of the Cash Corporate Center located at 2100 Production Drive for \$1,955,460.00 for the purposes of Economic Development, pursuant to N.C.G.S 158-7.
- [PH2](#) Shawn Purvis, Assistant Town Manager & Amanda Grogan, Budget & Management Analyst  
Public Hearing to receive citizen input regarding the formulation of the Fiscal Year 2021-2022 Annual Budget.
- [PH3](#) Dianne Khin, Director of Planning and Community Development  
Public hearing and possible motion to adopt an Ordinance on the Question of Annexation – Apex Town Council's intent to annex MFW Investments, LLC (Colby Crossing) property containing 7.578 acres located along a portion of the future connection of Colby Chase Drive between Merion and Pemberley subdivisions, Annexation #651 into the Town's corporate limits.
- [PH4](#) Dianne Khin, Director of Planning and Community Development  
Public hearing and possible motion to adopt an Ordinance on the Question of Annexation – Apex Town Council's intent to annex Kimberly & Loomis Horton, III, Mary Elizabeth Horton, Dwight Marvin Wright, MFW Investments, LLC, and MFWIRA, LLC (Horton Park PUD) properties containing 101.356 acres located at 8140, 8252, 8306, and 8308 Smith Road; 0 East Williams Street; 0, 0, 0, 0, & 0 Dezola Street; and 5220 Jessie Drive, Annexation #687 into the Town's corporate limits.
- [PH5](#) Dianne Khin, Director of Planning and Community Development  
Public hearing and possible motion to adopt an Ordinance on the Question of Annexation – Apex Town Council's intent to annex MCI Enterprises LLC (MCI Business Park Buildings 3 & 4) property containing 5.53 acres located at MCI Business Park, Annexation #697 into the Town's corporate limits.
- [PH6](#) Shelly Mayo, Planner II  
Public hearing and possible motion to approve the 2020 Annual Hazard Mitigation Action Plan Update.
- [PH7](#) Amanda Bunce, Current Planning Manager  
Public Hearing and possible motion regarding various amendments to the Unified Development Ordinance.

## OLD BUSINESS

- [OB1](#) Vance Holloman, Finance Officer  
Discussion and possible motion to adopt Temporary Ordinance Modifications extending the current suspension of utility disconnections and application of penalties and fees for unpaid utility balances

UNFINISHED BUSINESS

NEW BUSINESS

- [NB1](#) Shawn Purvis, Assistant Town Manager  
Possible motion to approve general Title VI Nondiscrimination Policy and associated grievance procedures
- [NB2](#) Shawn Purvis, Assistant Town Manager  
Possible motion to provide financial support to DHIC for the affordable housing project at Broadstone Walk in the form of grants from the Affordable Housing Fund for Water and Sewer Capital Reimbursement Fees and Recreation Fees-in-lieu and a loan for construction contingent upon final project approval

CLOSED SESSION

- [CS1](#) Laurie Hohe, Town Attorney  
Possible motion to go into closed session to consult with the Town Attorney pursuant to NCGS 143-318.11(a)(3) to discuss the handling of the matter of Empire Contractors, Inc. v. Town of Apex.
- [CS2](#) Jacques K. Gilbert, Mayor  
Possible motion to go into Closed Session to discuss a personnel matter.

WORK SESSION

ADJOURNMENT

# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: PRESENTATION  
Meeting Date: December 15, 2020

## Item Details

Presenter(s): Keith Joyce of Joyce and Company, Independent Auditor  
Department(s): Finance

### Requested Motion

Presentation of June 30, 2020 audit report from Joyce and Company

### Approval Recommended?

N/A

### Item Details

The annual audit has been completed for the 2019 -20 fiscal year and the Town has received an unqualified opinion. Keith Joyce of Joyce and Company will make a brief presentation and respond to any questions from Council

### Attachments

- Audit Highlights
- Governance Letter
- Management Letter
- Comprehensive Annual Financial Report



104 Brady Court, Cary, North Carolina 27511  
Phone 919-466-0946 Fax 919-466-0947

December 3, 2020

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Apex, North Carolina for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and Government Auditing Standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 6, 2020. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

##### Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town of Apex, North Carolina are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year ending June 30, 2020. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

Management's estimates of the useful lives of capital assets including infrastructure, vehicles, equipment, water and sewer systems and buildings and improvements based on historical experience. We evaluated the key factors in the assignment of useful lives to capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.

##### Difficulties Encountered in Performing the Audit

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

##### Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition, some of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 3, 2020.

Management Consultations with Other Independent Accountants

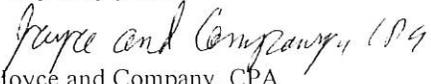
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination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

Other Audit Findings or Issues

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

This information is intended solely for the use of management and members of the Town Council and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

  
Joyce and Company, CPA  
Cary, North Carolina

**TOWN OF APEX**  
**Audit Highlights**  
**June 30, 2020**

	Page Number	June 30, 2020	June 30, 2019	Increase (Decrease)
Cash balances	(21)	\$ 195,570,000	\$ 156,682,000	\$ 38,888,000
Fixed Assets (Net of depreciation)				
Governmental-net	(21)	525,557,000	476,800,000	48,757,000
Water/Sewer	(28)	247,807,000	237,758,000	10,049,000
Electric	(28)	45,292,000	40,216,000	5,076,000
General fund				
Total fund balance	(23)	42,263,000	39,833,000	2,430,000
Unassigned fund balance	(23)	28,905,000	26,062,000	2,843,000
Net change in fund balance	(25)	2,430,000	4,996,000	(2,566,000)
Unassigned Fund Balance %	(25)	47.4%	49.0%	-1.6%
Total Fund Balance %	(25)	69.3%	74.9%	-5.6%
Water and sewer fund				
Cash balances	(28)	61,166,000	68,306,000	(7,140,000)
Change in Cash Balances	(30)	(7,140,000)	5,600,000	(12,740,000)
Total net position	(28)	257,096,000	236,435,000	20,661,000
Change in Net Position	(29)	20,661,000	(6,160,000)	26,821,000
Electric fund				
Cash balances	(28)	18,720,000	9,922,000	8,798,000
Change in Cash Balances	(30)	8,798,000	1,260,000	7,538,000
Total net position	(28)	51,687,000	48,483,000	3,204,000
Change in Net Position	(29)	3,204,000	3,980,000	(776,000)
Ad Valorem taxes				
Tax collections	(105)	32,620,000	29,511,000	3,109,000
Valuation subject to tax	(106)	7,860,418,000	7,082,298,000	778,120,000
Overall collection percentage	(106)	99.8%	99.9%	-0.1%
Long-term debt				
General governmental	(66)	79,263,000	48,533,000	30,730,000
Water/Sewer	(28)	48,705,000	51,194,000	(2,489,000)
Electric	(28)	12,342,000	2,877,000	9,465,000
Net OPEB Liability	(66)	41,183,000	33,704,558	7,478,442

**Other Highlights:**

Audit opinion-"Clean"-This means that the financial statements present fairly in all material respects the financial position and the results of the operations and the cash flows of its proprietary fund types of the Town of Apex for the year ended June 30, 2020.

Certificate of Excellence-The Town received the "Certificate of Achievement of Excellence in Financial Reporting" from the Government Association for the June 30, 2019 CAFR. This is a prestigious certificate given only to financial reports achieving the highest standards in government accounting and financial reporting. The Town has received this certificate for the past twenty six years. The CAFR for June 30, 2020 will be submitted for review this year.

\*Note that all numbers have been rounded to the nearest \$1,000. Page numbers in parenthesis are from the June 30, 2020 financial statements

***TOWN OF APEX***  
***NORTH CAROLINA***

***COMPREHENSIVE ANNUAL***  
***FINANCIAL REPORT***



***FOR THE FISCAL YEAR***  
***ENDED JUNE 30, 2020***



**Town of Apex, North Carolina  
Comprehensive Annual Financial Report  
For the Year Ended June 30, 2020**

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# **INTRODUCTORY SECTION**





December 3, 2020

TO THE CITIZENS OF THE TOWN OF APEX:

We are pleased to present the Comprehensive Annual Financial Report of the Town of Apex for the fiscal year ended June 30, 2020. This report is issued to inform the citizens of Apex of the Town's financial condition at June 30th and how the financial resources of the Town were used during the fiscal year then ended. The report also fulfills the requirement of North Carolina state law that every local government has an annual audit of its financial statements performed by a certified public accountant.

The Town of Apex management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control it has established for this purpose. The concept of internal controls assumes their costs should not exceed their anticipated benefits, and their objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of material misstatements.

Joyce and Company, Certified Public Accountants, has issued an unmodified ("clean") opinion on the Town of Apex's financial statements for the year ended June 30, 2020. The independent auditor's report is located at the front of the financial section of this report.

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

### PROFILE OF THE GOVERNMENT

The Town of Apex, incorporated in 1873, is located in central North Carolina, less than 10 miles from Raleigh, the state capital. From its humble beginnings as a small railroad stop (the name "Apex" comes from being the highest point on the rail line), the Town has grown to a population of 65,682 and a land area of 23.99 square miles.

The Town operates under a Council-Manager form of government. Policy-making and legislative authority rest with the Town Council, consisting of the mayor and five other members. All are elected on a town-wide basis to a four year term, with three members elected every two years. The Council appoints the Town Manager, who is responsible for hiring department heads and managing day to day operations.

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#### TOWN OF APEX

*The Peak of Good Living*

PO Box 250 Apex, NC 27502 | (919) 293-3400 | [www.apexnc.org](http://www.apexnc.org)

The Town provided a full range of services during the 2020 fiscal year including police, fire protection, sanitation, water, sewer, and electric services, construction and maintenance of streets and infrastructure, and recreational activities and events. Various other local entities such as the Wake County Public School System, WakeMed Apex Healthplex, and the Wake County Public Libraries do not meet established criteria for inclusion as part of the Town as a reporting entity and are therefore excluded from this report.

State law requires that the Town Council approve an annual budget prior to July 1. The budget ordinance authorizes all financial transactions of the Town except those authorized by a project ordinance or conducted through a trust or agency fund. The budget is prepared by fund and department. Department heads may transfer resources within a department and the Town Manager may transfer between departments, but any change which increases or decreases a fund's overall budget requires approval of the Council.

### LOCAL ECONOMY

Economic activity and the construction industry remain very strong although construction has dropped a bit from prior years. Revenues for building permits and inspection fees were \$3.8 million, down 17% from the prior year. The Town issued 1,619 permits for new residential construction this year, a decrease of 107 permits or 6.2% from the previous year. Total construction value for those permits was down \$20.5 million or 5.7%. Commercial construction did increase. The Town issued 32 commercial building permits, 8 fewer than the previous year. However, the total value of those permits increased by \$32.4 million or 140%. Overall, new construction (residential and commercial) totaled 1,651 permits with a value of \$390.7 million, compared with 1,766 permits and \$378.8 million in the preceding year.

Due to the residential growth in Apex, property taxes have come to provide a greater share of the Town's revenues. In 2010, total ad valorem tax revenue was \$14.5 million as compared to \$32.7 million in 2020. The 2020 fiscal year tax rate was 41.5 cents per \$100, as compared to 34 cents this time 10 years ago but our tax revenue has more than doubled. Construction and development within the Town is continuing to support the growth in tax base and thus the tax revenue. The appraised value of the Town's tax base as of January 1, 2020 was \$10.2 billion compared to \$4.3 billion ten years earlier.

During the 2020 fiscal year other economically sensitive revenues were also strong. Sales tax collections increased by 10.9% compared to the prior year in spite of the negative impacts of COVID 19 on the economy. Within all major revenue categories, compared to 2010 results, there has been a significant increase.

Apex continues to benefit from its location, which makes it a residential and retail center for employees of Research Triangle Park (RTP). RTP is primarily dependent on firms in relatively stable, growing industries such as technology, healthcare, and financial services. In addition, the Town's proximity to Raleigh, with several universities and the state government complex, also serves to provide a stable employment base. Because of the presence of these major employers, the local unemployment rate has stayed below the state and national figures.

Looking back over the past 10 years, the Town's total General Fund revenues and expenditures have more than doubled. Much of this increase is understandable, as the Town's population has grown 86.6% in the same period. The most obvious trend during this timeframe has been the continued emphasis on public safety. The costs to provide these services have climbed from \$10.2 million in 2010 to \$22.1 million in 2020.

Since moving from largely volunteer departments to Town provided services, the Town has assumed a greater responsibility for Fire Protection using more full-time employees. This increase is supported by the Town's steady population growth and commitment for citizen's safety and well-being. In September 2015 Money Magazine named Apex the best place to live in America.

### LONG-TERM FINANCIAL PLANNING

The Town, for many years now, has maintained solid cash reserves and fairly modest debt levels. This has enabled the Town to proceed with some major projects financed by various types of long-term debt. During the past year the Town has undertaken a number of street and parks projects. The Town has an agreement with Cary to undertake a number of water and sewer projects. The Town issued new debt for parks and recreational facilities and a new warehouse and office facility for electric operations during the 2020 fiscal year. Voters have authorized the Town to issue general obligation bonds for street and sidewalk improvements that have not yet been issued. The authorized but unissued amount is \$12 million.

The Town continues to have capital and operational needs in a number of areas due to growth. The Town's goal is to maintain a minimum of 25% of expenditures in unassigned fund balance in the General Fund. Funds in excess of that amount are available to be used for one-time expenditures, such as smaller improvements or construction projects. At June 30, 2020, the Town's unassigned fund balance was \$28.9 million, or roughly 47.4% of the year's General Fund expenditures.

### MAJOR INITIATIVES

In addition to addressing major needs in the Water and Sewer Fund, the Town is also evaluating its options to finance park and recreation projects, public safety projects, street and sidewalk improvements and electric utility projects.

### AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Apex for its comprehensive annual financial report for the fiscal year ended June 30, 2019. This was the twenty sixth consecutive year that the Town has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently

organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report 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.

The preparation of this report on a timely basis was made possible by the dedicated service and cooperation of Joyce and Company CPA, and the Town's Finance, Planning, and Construction Management departments. We would like to extend special thanks to Suzanne Parmentier for her work and to the Mayor and Town Council for their support for maintaining the highest standards of professionalism in the management of the Town's finances.



Drew Havens  
Town Manager



Vance Holloman  
Finance Officer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of Apex  
North Carolina**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO



ELECTED OFFICIALS

MAYOR:	JACQUES GILBERT
MAYOR PRO TEM:	NICOLE DOZIER
COUNCIL MEMBERS:	BRETT GANTT
	AUDRA KILLINGSWORTH
	TERRY MAHAFFEY
	CHERYL STALLINGS



| APPOINTED OFFICIALS

Drew Havens  
Town Manager

Laurie Hohe  
Town Attorney

Donna Hosch  
Town Clerk

ADMINISTRATIVE STAFF

Shawn Purvis  
Assistant Town Manager

Marty Stove  
Assistant Town Manager

Dianne Khin  
Director of Planning

Mary Beth Manville  
Director Human Resources

John Brown  
Director of Parks, Recreation  
and Cultural Resources

Erika Sacco  
Director of Information  
Services

Rudy Baker  
Director of Inspections  
and Permits

Michael Deaton  
Director of Utility Engineering  
and Water Resources

John Letteney  
Chief of Police

Keith McGee  
Fire Chief

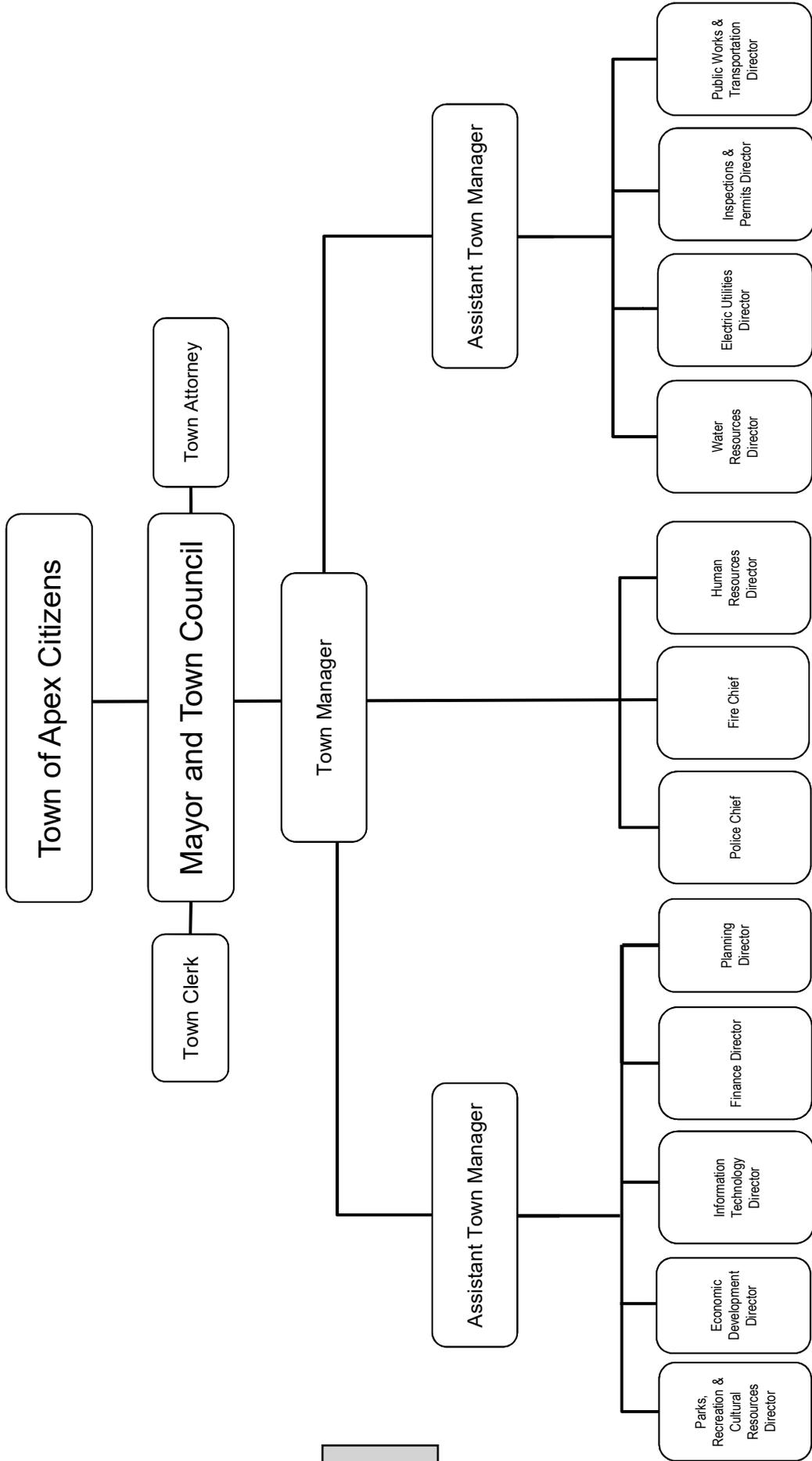
Eric Neumann  
Director of Electric Utilities

Vance Holloman  
Director of Finance

Jose Martinez  
Director of Public Works  
and Transportation

Joanna Helms  
Director of Economic  
Development

# Town of Apex Organizational Chart



**FINANCIAL SECTION**



## Independent Auditor's Report

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Apex, North Carolina, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

### Opinion

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Apex, North Carolina as of June 30, 2020, and the respective changes in financial position and cash flows, where appropriate, 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.

## Other Matters

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Other Postemployment Benefits' Schedule of Changes in the Total OPEB Liability and Related Ratios, Town of Apex's Contributions, Schedule of Investment Returns, the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Liability and Contributions, and the Law Enforcement Officers' Special Separation Allowance Schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Town of Apex, North Carolina. The combining and individual fund statements, budgetary schedules, other schedules, statistical section, as well as the accompanying Schedule of Expenditures of Federal and State Awards as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund 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 Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 3, 2020 on our consideration of Town of Apex's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, and other matters. The purpose of the 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Apex's internal control over financial reporting and compliance.

  
JOYCE AND COMPANY, CPA  
Cary, North Carolina

December 3, 2020

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Town of Apex, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2020. We encourage readers to read the information presented here in conjunction with the transmittal letter in the front of this report and the basic financial statements and accompanying notes to the financial statements, which follow this narrative.

### Financial Highlights

- The Town's assets and deferred outflows exceeded its liabilities and deferred inflows at the close of the fiscal year by approximately \$831 million (*net position*). Of this amount, \$89 million (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's total net position increased by \$74.1 million from the prior year. The net position of the governmental activities increased 50.2 million and the net position of the business-type activities increased \$23.9 million. Approximately \$73.9 million of street related and utility infrastructure was donated by developers with a value of \$57 million for street and sidewalk related infrastructure and \$16.9 million for utility infrastructure.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of approximately \$113 million, an increase of \$35 million compared to the prior year. The total fund balance in the General Fund increased \$2.4 million while the total fund balance in other governmental funds increased \$32.5 million primarily due to bonds being issued to fund various parks and recreation projects.
- At the end of the fiscal year, unassigned fund balance for the General Fund increased to \$28.9 million, or 47.4% of total General Fund expenditures for the fiscal year.
- The Town of Apex's total debt increased by \$37.8 million during the current fiscal year due to the Town issuing debt for several capital projects.
- The Town entered into a legal settlement for claims challenging the Town's authority to collect impact fees for water, sewer and transportation infrastructure. The Town agreed to repay water and sewer capital fees of \$14.6 million and \$698,574 of transportation impact fees. The Town accrued a liability in the prior fiscal year and liquidated it in the current fiscal year.

### Overview of the Financial Statements

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

### Basic Financial Statements

The first two statements (Exhibits 1 and 2) in the basic financial statements are the **Entity-wide Financial Statements**. The next statements (Exhibits 3 through 8) are **Fund Financial Statements**. The next section of the basic financial statements is the **Notes to the Financial Statements**. The notes explain in detail some of the data contained in those statements. The **Required Supplemental Information** contains additional information required by generally accepted accounting principles. After the notes and the required supplemental information, additional **Supplemental Information** is provided. The other supplemental information shows details about the Town's individual funds, including budgetary information required by North Carolina General Statutes.

## Entity-wide Financial Statements

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

The statement of net position presents information on all of the Town's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave.)

Both of the entity-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety, public works, environmental protection, and cultural and recreational. The business-type activities of the Town are utility system services, specifically electricity and water and sewer.

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

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

## Fund Financial Statements

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

**Governmental Funds:** Governmental funds are used to account for essentially the same functions reported as governmental activities in the entity-wide financial statements. However, unlike the entity-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Town's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the entity-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the entity-wide financial statements. By doing so, readers may better understand the long-term impact of the Town's near-term financing decisions. Both the governmental fund balance sheet (Exhibit 3) and the governmental fund statement of revenues, expenditures, and changes in fund balances (Exhibit 4) provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

During the past fiscal year, the Town of Apex maintained eight individual governmental funds: the General Fund, one special revenue fund (to account for revenues which are restricted to a specific purpose), five capital projects funds (to account for construction projects spanning more than one annual budget year or funds set aside for future projects), and one permanent fund (to account for funds reserved for perpetual

care of a cemetery). The General Fund and the Recreation Capital Projects Fund are the only governmental funds considered to be major funds. The other governmental funds are considered to be nonmajor and their information is presented in the aggregate.

The Town of Apex adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. This budgetary statement includes both original and final amended budgets.

The basic governmental fund financial statements can be found on Exhibits 3 through 5. Governmental funds considered to be nonmajor are presented as a single column in these statements.

**Proprietary Funds:** The Town maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the entity-wide financial statements, only in more detail. The Town uses enterprise funds to account for its electric and water and sewer related activities. Both the Electric Fund and the Water and Sewer Fund are classified as major funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions. Apex uses an internal service fund to account for its self-insurance for health and dental claims. Because this fund predominately benefits the governmental rather than business-type functions, it has been included within governmental activities in the entity-wide statements.

The basic proprietary fund financial statements can be found on Exhibits 6 through 8 of this report.

**Notes to the Financial Statements:** The notes provide additional information that is essential to a full understanding of the data provided in the entity-wide and fund financial statements. The notes to the financial statements are on pages 33-69 of this report.

**Other Information:** In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the Town's progress in funding its obligations to provide pension benefits to police officers under the Law Enforcement Officers Special Separation Allowance under GASB Statement 73, retiree health insurance under GASB Statement 75 and pension benefits to its employees through the Local Government Employees' Retirement System. Required supplementary information can be found on pages 70-76 of this report.

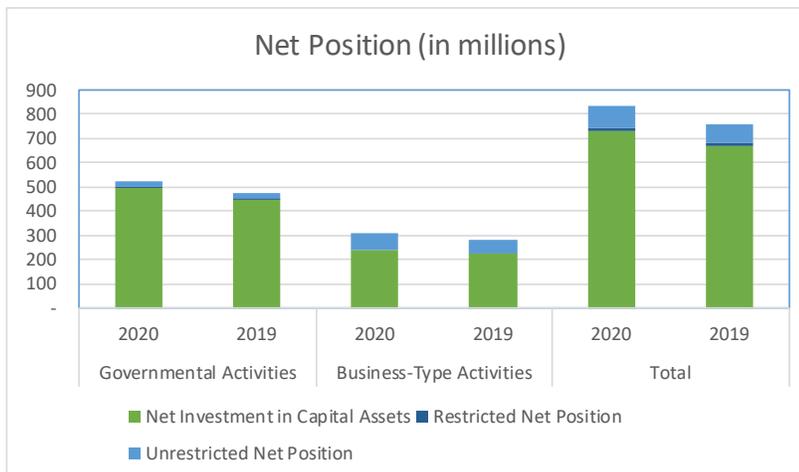
### **Entity-Wide Financial Analysis**

Entity-wide financial statements can provide an excellent overall view of the Town's transactions for the year and its financial condition at year end. In particular, comparing current year amounts with the previous year's figures can highlight areas in which the Town's finances are improving or deteriorating.

As noted earlier, net position may serve over time as one useful indicator of the Town's financial condition. At the end of the current fiscal year, the Town had a positive balance in both its governmental and business-type activities. Governmental activities net position increased by \$50.2 million to \$522.2 million during the year and business-type net position increased by \$23.9 million to \$308.8 million.

**The Town of Apex  
Net Position**  
(in millions)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and Other Assets	\$123.3	\$84.2	\$91.4	\$89.5	\$214.7	\$173.7
Capital Assets	525.6	476.8	293.1	278.0	818.7	754.8
Total Assets	648.9	561.0	384.5	367.5	1,033.4	928.5
Deferred Outflows	12.5	8.5	2.9	2.2	15.4	10.7
Long-Term Liabilities	122.2	84.5	66.9	58.9	189.1	143.4
Other Liabilities	13.6	10.9	11.2	25.5	24.8	36.4
Total Liabilities	135.8	95.4	78.1	84.4	213.9	179.8
Deferred Inflows	3.3	2.2	0.6	0.4	3.9	2.6
<b>Net Position:</b>						
Net Investment in Capital Assets	492.4	446.5	238.8	225.2	731.2	671.7
Restricted	10.6	11.2	-	-	10.6	11.2
Unrestricted	19.2	14.3	70.0	59.7	89.2	74.0
Total Net Position	\$522.2	\$472.0	\$308.8	\$284.9	\$831.0	\$756.9

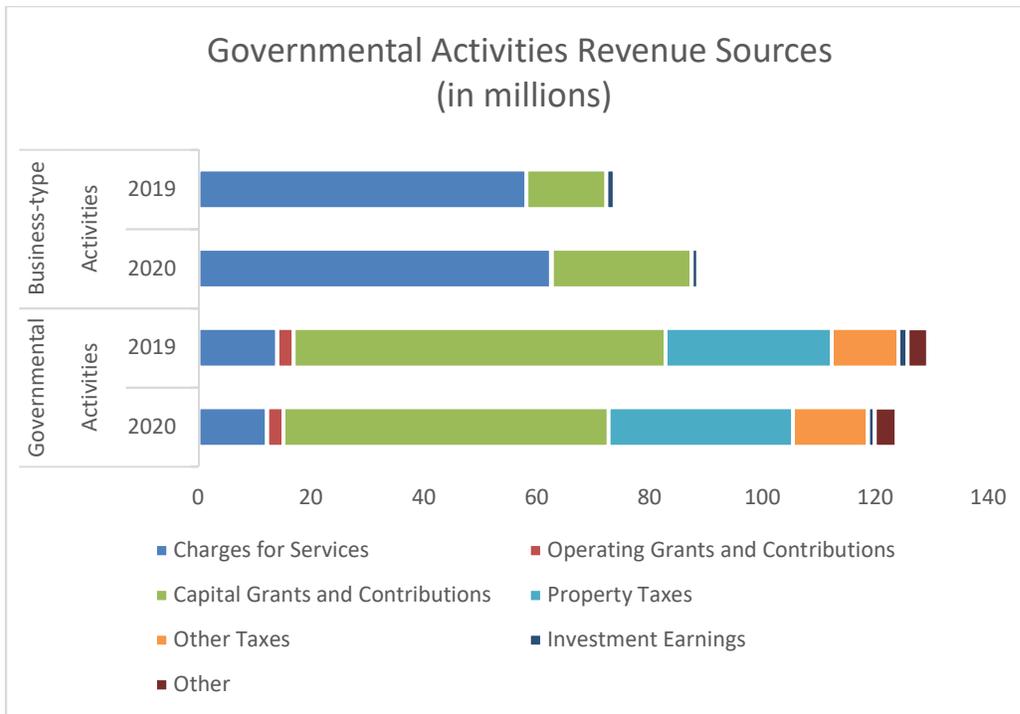


As is the case for many entities, the largest portion of the Town’s net position (\$731.2 million or 88.00%) is represented by its net investment in capital assets (e.g. land, buildings, machinery, and equipment less any related debt still outstanding that was issued to acquire those assets). These capital assets are used to provide services to citizens; consequently, they are *not* available for future spending. And although the Town’s net investment in its capital assets is reduced by the outstanding related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets cannot be used to pay these related liabilities.

Approximately \$73.9 million of street related and utility infrastructure assets were donated from developers, valued at \$57 million for street and sidewalk related infrastructure and \$16.9 million for utility infrastructure. Most of the remainder of the Town’s net assets (\$89.2 million or 10.7%) are unrestricted, meaning they may be used to meet the Town’s ongoing obligations to citizens and creditors.

**The Town of Apex**  
**Changes in Net Position**  
(in millions)

	Governmental		Business-type		Total	
	2020	2019	2020	2019	2020	2019
<b>Revenues:</b>						
Program Revenues:						
Charges for Services	\$12.2	\$14.0	\$62.6	\$58.2	\$74.8	\$72.2
Operating Grants and Contributions	2.9	2.9	0.1	---	3.0	2.9
Capital Grants and Contributions	57.7	66.0	24.8	14.2	82.5	80.2
General Revenues:						
Property Taxes	32.7	29.5	---	---	32.7	29.5
Other Taxes	13.3	11.8	---	---	13.3	11.8
Investment Earnings	1.2	1.6	1.2	1.5	2.4	3.1
Other	3.9	3.7	---	0.1	3.9	3.8
Total Revenues	<u>123.9</u>	<u>129.5</u>	<u>88.7</u>	<u>74.0</u>	<u>212.6</u>	<u>203.5</u>
<b>Expenses:</b>						
General Government	13.1	11.7	---	---	13.1	11.7
Public Safety	25.4	21.0	---	---	25.4	21.0
Public Works	21.5	19.0	---	---	21.5	19.0
Environmental Protection	4.8	4.1	---	---	4.8	4.1
Cultural and Recreation	7.1	6.4	---	---	7.1	6.4
Interest on Long-Term Debt	1.8	1.5	---	---	1.8	1.5
Water and Sewer	---	---	25.0	24.5	25.0	24.5
Electric	---	---	39.8	37.0	39.8	37.0
Total Expenses	<u>73.7</u>	<u>63.7</u>	<u>64.8</u>	<u>61.5</u>	<u>138.5</u>	<u>125.2</u>
Special Item - Legal Settlement	---	(0.7)	---	(14.7)	-	(15.4)
Change in Net Position	<u>50.2</u>	<u>65.1</u>	<u>23.9</u>	<u>(2.2)</u>	<u>74.1</u>	<u>62.9</u>
Net Position - Beginning of year	472.0	407.5	284.9	287.2	756.9	694.7
Restatement GASB #75	-	(0.6)	-	(0.1)	-	(0.7)
Net Position - Beginning of year as restated	<u>472.0</u>	<u>406.9</u>	<u>284.9</u>	<u>287.1</u>	<u>756.9</u>	<u>694.0</u>
Net Position - End of year	<u>\$522.2</u>	<u>\$472.0</u>	<u>\$308.8</u>	<u>\$284.9</u>	<u>\$831.0</u>	<u>\$756.9</u>



**Governmental activities:** Revenues related to governmental activities decreased \$5.6 million, or 4.3%. The majority of this decrease came from Capital Grants and Contributions which decreased by \$8.3 million due to decreased developer contributions. However, tax revenues increased by \$4.9 million due to an increased tax base and increased sales tax revenues despite lower collections in 3 months of the fiscal year due to the impact of COVID-19. Total expenses were up by \$10 million or 15.7%. While most areas experiencing higher operating costs, \$2.30 million of the increase is due to increased depreciation upon Town infrastructure and Public Safety expenditures increased \$4.4 million due to higher personnel costs.

**Business-type activities:** Total business-type activity revenues increased by \$14.8 million or 20% during the fiscal year. Capital contributions of water and sewer lines from developers increased by \$10.2 million. Charges for services increased \$4.4 million or 7.6%. Electric rates were increased 1.65% and sewer rates 4.0% at the beginning of the fiscal year. Spending for business-type activities increased \$3.3 million or 5.5%. The greatest change being increases in electric power purchases, depreciation expense and operations. Increases in operations and power purchases were in line with customer growth of approximately 9% during the fiscal year.

### Financial Analysis of the Town’s Funds

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

**Governmental Funds:** The focus of the Town of Apex’s governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Town’s financing requirements. Specifically, *unassigned fund balance* can be a useful measure of the Town’s net resources available for spending at the end of the fiscal year. This is the portion of fund balance remaining after subtracting the amounts that have been *restricted* (usually by NC state law) or *assigned* (designated for a specific purpose by the Town’s management).

The General Fund is the chief operating fund of the Town of Apex. At the end of the fiscal year, unassigned fund balance of the General Fund was \$28.9 million, while total fund balance increased to \$42.3 million. As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. As of June 30, 2020, unassigned fund

balance was 47.4% of the year's expenditures (compared to 48.9% last year), while total fund balance represents 69.3% of that same amount (74.9% in 2019).

The Town strives to maintain an unassigned fund balance of 25% of expenditures. Amounts in excess of this minimum may be used for construction projects when the Town wishes to avoid the issuance of additional debt, for emergency work needed after natural disasters, or for maintaining a stable tax rate when economically dependent revenues (i.e. sales taxes) are less than budgeted amounts. The Town budgeted \$7.8 million of fund balance for the 2019-20 fiscal year to help meet the needs of a fast growing community for vehicles, equipment and street improvements. The Town also donated \$1 million to a loan program for Town businesses impacted negatively by COVID-19. Again, revenues ended better than anticipated and expenditures were less than anticipated and total fund balance increased by \$2.4 million as a result of fiscal year operations. Total revenues were \$1.1 million more than the final budget, primarily because higher than expected revenues from property and sales taxes. Charges for services were down a bit due to a number of recreation programs being cancelled due to COVID 19. In addition, total departmental expenditures ended the year \$9.2 million less than the final budget.

At year end, the governmental funds of Town of Apex reported a combined fund balance of \$113 million, an increase of \$35 million from the prior year. The increase resulted predominately from the issuance of debt for park and recreation projects. During the year the Town spent \$7.5 million for street, recreation and general government projects. The General Fund, special revenue fund, and capital projects funds are included in this combined fund balance amount.

**General Fund Budgetary Highlights:** During the fiscal year, the Town revised the budget on several occasions. Generally, budget amendments are made to recognize new funding amounts or to increase appropriations that become necessary for a current refunding of bonds, capital projects or to expand services.

Overall, General Fund revenues increased by \$3.6 million from the prior year, an increase of 6.2%. This increase came from increases in property taxes, sales taxes and garbage and recycling fees. Permits and fees fell by \$0.8 million or 16% from the prior year amount, however, actual revenues exceeded the amount budgeted by more than \$50,000.

General Fund expenditures rose by \$7.8 million, or 14.7%. The majority of the increase came in expenditures for Public Works, Administration and Parks and Debt Service due to a current refunding of debt. The major initiatives of note were increased operating costs and capital outlay.

**Proprietary Funds:** The Town of Apex's proprietary fund financial statements provide the same type of information found in the entity-wide statements but with each of the two funds broken out separately. Unrestricted net positions of the Electric and Water and Sewer Funds at the end of the fiscal year were \$13.0 million and \$56.9 million, respectively. The changes in net position for the Electric Fund and Water and Sewer Funds were an increase of \$3.2 million and \$20.7, respectively. The increase in the Water and Sewer Fund was due to donated assets and water and sewer capital fees.

In the Electric Fund, operating revenues increased by \$1.9 million or 4.6% due to an increase in the number of customers and rates. Operating expenses increased by \$2.6 million or 7% due to an increase in the cost of power and operations expense due to an increase in the number of customers.

In the Water and Sewer Fund, operating revenues increased by \$2.6 million or 14.7% due to customer growth and increases in sewer rates. Operating expenses increased by \$0.7 million or 3.1% predominately due to customer growth.

### **Capital Asset and Debt Administration**

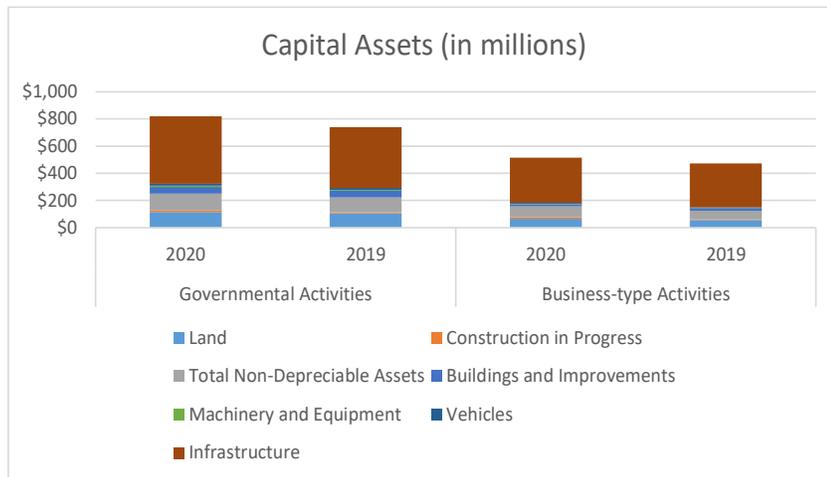
**Capital assets:** The Town of Apex's investment in capital assets for its governmental and business-type activities as of June 30, 2020, totaled \$818.7 million (net of accumulated depreciation). These assets include buildings, streets and sidewalks, land, machinery and equipment including vehicles, park facilities, utility plants, electric and water distribution systems, and wastewater collection systems.

Major capital asset transactions during the year include the following additions (there were no significant demolitions or disposals):

- Construction and additions in the governmental-type activities of \$68.4 million,
- Electric distribution system improvements, additions, and other capital assets of \$7.8 million,
- Water and sewer system improvements, additions, and other capital assets of \$20.7 million.

**Town of Apex  
Capital Assets  
(in millions)**

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$113.1	\$104.6	\$65.0	\$55.1	\$178.1	\$159.7
Construction in Progress	11.6	6.6	13.4	7.1	25.0	13.7
<b>Total Non-Depreciable Assets</b>	<b>124.7</b>	<b>111.2</b>	<b>78.4</b>	<b>62.2</b>	<b>203.1</b>	<b>173.4</b>
Buildings and Improvements	49.2	48.4	15.1	15.1	64.3	63.5
Machinery and Equipment	9.2	8.5	4.1	3.9	13.3	12.4
Vehicles	14.6	13.6	5.7	5.5	20.3	19.1
Infrastructure	497.7	445.3	331.7	323.7	829.4	769.0
Intangibles	-	-	3.5	-	3.5	-
<b>Total Depreciable</b>	<b>570.7</b>	<b>515.8</b>	<b>360.1</b>	<b>348.2</b>	<b>930.8</b>	<b>864.0</b>
<b>Accumulated Depreciation</b>	<b>(169.8)</b>	<b>(150.2)</b>	<b>(145.5)</b>	<b>(132.4)</b>	<b>(315.3)</b>	<b>(282.6)</b>
<b>Total Depreciable Assets, Net</b>	<b>400.9</b>	<b>365.6</b>	<b>214.6</b>	<b>215.8</b>	<b>615.5</b>	<b>581.4</b>
<b>Total</b>	<b>\$525.6</b>	<b>\$476.8</b>	<b>\$293.0</b>	<b>\$278.0</b>	<b>\$818.6</b>	<b>\$754.8</b>



Additional information on the Town’s capital assets can be found in Note 4 of the Notes to the Financial Statements starting on page 45.

**Long-term Debt:** As of June 30, 2020, the Town of Apex had total general obligation bonded debt outstanding of \$98 million, including \$7.0 million of deferred premium, electric revenue bonds outstanding of \$12.3 million, and installment purchase related debt of \$30 million. Of the general obligation bonds, \$30.9 million, including \$1.3 million of deferred premium, is being repaid from utility system revenues. The remainder of the Town’s general obligation bonds, are being repaid from the General Fund. During the year, the Town issued \$36.7 million of general obligation bonds including \$4.5 million of deferred premium, but retired \$5.8 million.

**Town of Apex Outstanding Debt**  
(in millions)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
General Obligation Bonds	\$67.1	\$35.1	\$30.9	\$31.9	\$98.0	\$67.0
Revenue Bonds	-	-	12.3	2.9	12.3	2.9
Installment Purchases	12.2	13.4	17.8	19.3	30.0	32.7
<b>Total</b>	<b>\$ 79.3</b>	<b>\$ 48.5</b>	<b>\$ 61.0</b>	<b>\$ 54.1</b>	<b>\$ 140.3</b>	<b>\$ 102.6</b>

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 Town’s boundaries. The legal debt margin for Apex is \$551.5 million. However, this statutory limit far exceeds the Town’s realistic debt capacity.

The Town had authorized and unissued debt of \$12 million as of June 30, 2020, all of which is for street and sidewalk improvements. Additional information regarding the Town of Apex’s long-term debt can be found in Note 10 of this report beginning on page 61.

**Economic Factors and Next Year’s Budgets and Rates**

At June 30, 2020, Apex’s population was estimated at 65,682. Single family residential construction was down by 2.5% for the fiscal year after having increased by 12% in the prior year based upon construction value. Non-residential construction was up 8% based upon value. Construction activity remains strong in the area. The Town’s economic outlook will largely be dependent on the overall national economy.

Employment opportunities are derived from within the Town as well as from Raleigh, the state capital, and RTP, which employs over 65,000 in high-technology fields. In addition, the Raleigh-Durham area also contains several colleges and universities and major health care facilities. These employers have historically been relatively stable and less sensitive to economic downturns. As a result, the unemployment rate has historically been lower than the state and national averages. At year end the rate for Apex was 5.2% versus the statewide rate of 7.9% and the U.S. rate of 11.2%. Unemployment rates were higher at year end than the prior year due to the economic impacts of COVID 19. Because of the highly specialized nature of many of the citizens’ employment, income levels in Wake County have also have been historically above the state and national averages.

## Budget Highlights for the Fiscal Year Ending June 30, 2021

**Governmental Funds:** The General Fund's budget is \$71 million. The Town's tax base increased from \$7.82 billion at January 1, 2019 to \$10.21 billion at January 1, 2020 as a result of Wake County's revaluation of property and growth. The Town's tax rate fell to 38 cents per \$100. The revenue neutral tax rate was .349 cents. Revenues estimates for property taxes are 19.4% above the prior year budget. Most other revenues were estimated to continue at or slightly below the levels seen during 2019-20. Sales tax collected for the 2019-20 fiscal year was 10.9% higher than the prior year. Due to the uncertain impacts COVID 19 might have on the economy the Town budgeted sales taxes at 5% below the amount collected in fiscal year 19-20. The Town's current 2020-21 budget projects construction and development related revenues to be 4.7% lower than the final figures for 2019-20 contained in this report. There were modest changes in other charges and fees. The budget includes 11 new positions in the General Fund; 3 of those positions are in public safety and 2 are in parks and recreation. Total budgeted revenues were up 12.6% from the original 2019-20 budget to \$68.7 million. The adopted budget appropriates \$2.4 million of fund balance.

**Proprietary Funds:** The Town expects continued growth in the number of customers. Rates for sewer service were increased by 4.5% and rates for electric and water services were not changed. Revenues in both funds are expected to increase from the prior year and keep pace with increased expenditures. The budget for the Electric Fund and Water Sewer funds remained virtually unchanged at \$44 million and \$22.7 million respectively. Apex remains committed to a number of water and sewer system improvements over the next several years with the Town of Cary. Annually, the Town reviews revised estimates of the costs of these projects and the projected revenues and expenses of the Water and Sewer Fund's to identify that sufficient capital will be available for project completion.

### Requests for Information

This report is designed to provide an overview of the Town's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Director, Town of Apex, Post Office Box 250, Apex, North Carolina 27502.

## **BASIC FINANCIAL STATEMENTS**

**TOWN OF APEX, NORTH CAROLINA**  
**STATEMENT OF NET POSITION**  
**June 30, 2020**

**Exhibit 1**

	<b>2020</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 67,837,462	\$ 73,205,077	\$ 141,042,539
Taxes receivables (net)	189,500	-	189,500
Accounts receivable (net)	843,560	9,619,775	10,463,335
Due from other governments	5,267,117	-	5,267,117
Prepaid items	260,303	-	260,303
Inventories	30,586	1,958,754	1,989,340
Restricted cash and cash equivalents	47,846,315	6,681,133	54,527,448
Notes receivable	1,000,000	-	1,000,000
Capital assets:			
Land, improvements, and construction in progress	124,670,675	78,435,157	203,105,832
Other capital assets, net of depreciation	400,886,345	214,664,587	615,550,932
Total assets	<u>648,831,863</u>	<u>384,564,483</u>	<u>1,033,396,346</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
OPEB deferrals	6,502,849	1,278,724	7,781,573
Pension deferrals	5,998,455	1,649,201	7,647,656
Total deferred outflows of resources	<u>12,501,304</u>	<u>2,927,925</u>	<u>15,429,229</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	7,701,505	6,455,463	14,156,968
Accrued interest payable	317,334	259,704	577,038
Customer deposits	-	730,531	730,531
Current portion of long-term liabilities	5,612,920	3,788,835	9,401,755
Total current liabilities	<u>13,631,759</u>	<u>11,234,533</u>	<u>24,866,292</u>
Long-term liabilities:			
Due in more than one year	122,228,497	66,889,937	189,118,434
Total liabilities	<u>135,860,256</u>	<u>78,124,470</u>	<u>213,984,726</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Prepaid taxes and fees	293,194	-	293,194
OPEB deferrals	2,829,439	556,376	3,385,815
Pension deferrals	181,944	28,242	210,186
Total deferred inflows of resources	<u>3,304,577</u>	<u>584,618</u>	<u>3,889,195</u>
<b>NET POSITION</b>			
Net investment in capital assets	492,438,867	238,768,996	731,207,863
Restricted for:			
Nonexpendable			
Perpetual Care	686,518	-	686,518
Expendable			
Stabilization by State Statute	8,824,846	-	8,824,846
Public Safety	305,874	-	305,874
Construction Management Inspections	708,580	-	708,580
Unrestricted	19,203,649	70,014,324	89,217,973
Total net position	<u>\$ 522,168,334</u>	<u>\$ 308,783,320</u>	<u>\$ 830,951,654</u>

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

**TOWN OF APEX, NORTH CAROLINA**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2020**

Exhibit 2

FUNCTIONS/PROGRAMS	Program Revenues					Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Governmental Activities:								
General government	\$ 13,144,540	\$ 4,216,873	\$ -	\$ -	(8,927,667)	\$ -	(8,927,667)	
Public safety	25,437,283	-	1,571,740	-	(23,865,543)	-	(23,865,543)	
Public works	21,547,425	46,179	1,353,791	57,535,725	37,388,270	-	37,388,270	
Environmental protection	4,792,603	4,853,201	3,123	-	63,721	-	63,721	
Cultural and recreation	7,127,052	3,125,723	-	151,036	(3,850,293)	-	(3,850,293)	
Interest on long-term debt	1,743,437	-	-	-	(1,743,437)	-	(1,743,437)	
Total governmental activities	73,792,340	12,241,976	2,928,654	57,686,761	(934,949)	-	(934,949)	
Business-type activities:								
Electric	39,817,329	42,674,575	90,385	-	-	2,947,631	2,947,631	
Water and Sewer	25,079,099	19,965,590	9,091	24,793,636	-	19,689,218	19,689,218	
Total business-type activities	64,896,428	62,640,165	99,476	24,793,636	-	22,636,849	22,636,849	
Total	\$ 138,688,768	\$ 74,882,141	\$ 3,028,130	\$ 82,480,397	(934,949)	22,636,849	21,701,900	
General revenues:								
Taxes:								
Property taxes, levied for general purpose					32,687,211	-	32,687,211	
Other taxes								
Local option sales					12,174,795	-	12,174,795	
Motor vehicle licenses					1,048,963	-	1,048,963	
Miscellaneous					80,713	-	80,713	
Unrestricted intergovernmental					3,458,723	-	3,458,723	
Unrestricted investment earnings					1,244,223	1,210,699	2,454,922	
Miscellaneous					475,994	17,260	493,254	
Total general revenues					51,170,622	1,227,959	52,398,581	
Change in net position					50,235,673	23,864,808	74,100,481	
Net position-beginning of year					471,932,661	284,918,512	756,851,173	
Net position-end of year					\$ 522,168,334	\$ 308,783,320	\$ 830,951,654	

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

**TOWN OF APEX, NORTH CAROLINA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2020**

**Exhibit 3**

	<u>Major Funds</u>			<b>Total Governmental Funds</b>
	<b>General</b>	<b>Recreation Capital Projects</b>	<b>Other Governmental Funds</b>	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 41,049,993	\$ 10,980,147	\$ 14,586,663	\$ 66,616,803
Restricted cash	1,014,454	45,562,859	1,269,002	47,846,315
Receivables, net:				
Taxes	93,154	-	96,346	189,500
Accounts	599,196	-	-	599,196
Due from other governments	4,948,360	-	318,757	5,267,117
Prepaid items	254,121	-	-	254,121
Inventories	30,586	-	-	30,586
Total assets	<u>\$ 47,989,864</u>	<u>\$ 56,543,006</u>	<u>\$ 16,270,768</u>	<u>\$ 120,803,638</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ 5,405,772	\$ 1,793,060	\$ 202,644	\$ 7,401,476
<b>Deferred inflows of resources:</b>				
Property taxes receivable	105,248	-	-	105,248
Prepaid taxes	18,812	-	-	18,812
Prepaid recreation fees	184,717	-	-	184,717
Prepaid fire contract	12,000	-	-	12,000
Greenway credits	-	-	77,665	77,665
Total deferred inflows of resources	<u>320,777</u>	<u>-</u>	<u>77,665</u>	<u>398,442</u>
<b>Fund balances:</b>				
<b>Nonspendable</b>				
Perpetual care	-	-	686,518	686,518
Prepaid items	254,121	-	-	254,121
Inventories	30,586	-	-	30,586
<b>Restricted</b>				
Stabilization by State Statute	8,824,846	-	-	8,824,846
Public Safety	305,874	-	-	305,874
Construction Management Inspections	708,580	-	-	708,580
Street improvements	-	-	582,484	582,484
Recreation improvements	-	45,562,859	-	45,562,859
<b>Committed</b>				
Library maintenance	-	-	121,460	121,460
Street improvements	-	-	3,142,757	3,142,757
Recreation improvements	-	9,187,087	-	9,187,087
Public Safety improvements	-	-	4,534,086	4,534,086
Perpetual care	-	-	440,645	440,645
LEO pension obligation	864,756	-	-	864,756
<b>Assigned</b>				
Recreation improvements	-	-	3,142,175	3,142,175
Street improvements	-	-	3,340,334	3,340,334
Subsequent year's expenditures	2,370,000	-	-	2,370,000
Unassigned	28,904,552	-	-	28,904,552
Total fund balances	<u>42,263,315</u>	<u>54,749,946</u>	<u>15,990,459</u>	<u>113,003,720</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 47,989,864</u>	<u>\$ 56,543,006</u>	<u>\$ 16,270,768</u>	<u>\$ 120,803,638</u>

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

**TOWN OF APEX, NORTH CAROLINA**  
**RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION**  
**GOVERNMENTAL FUNDS**  
**June 30, 2020**

**Exhibit 3**

Fund balances-total governmental funds \$ 113,003,720

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds

Governmental capital assets	\$ 695,372,756	
Less accumulated depreciation	<u>(169,815,736)</u>	525,557,020

Deferred outflows of resources related to pensions are not reported in the funds		5,998,455
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Notes receivable are not reported in the funds		1,000,000
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Deferred outflows of resources related to OPEB are not reported in the funds		6,502,849
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Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds

Government bonds and notes payable	(73,527,517)	
Premiums on refunding bonds	(5,735,979)	
Net pension liability LGERS	(8,949,565)	
Net pension liability LEO	(2,937,447)	
OPEB liability	(34,630,706)	
Compensated absences	<u>(2,060,203)</u>	(127,841,417)

An internal service fund is used by the Town to charge the costs of insurance to individual funds. The assets and liabilities of this fund are included in governmental activities in the Statement of Net Position		1,171,176
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Earned revenues considered deferred inflows of resources in fund statements		105,248
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Deferred inflows of resources related to pensions are not reported in the funds		(181,944)
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Deferred inflows of resources related to OPEB are not reported in the funds		(2,829,439)
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Other liabilities are not due and payable in the current period and therefore are not reported in the governmental funds		
Accrued interest payable		<u>(317,334)</u>

Net position of governmental activities		<u>\$ 522,168,334</u>
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The accompanying notes are an integral part of these financial statements.

**TOWN OF APEX, NORTH CAROLINA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2020**

**Exhibit 4**

	<u>Major Funds</u>			<u>Total Governmental Funds</u>
	<u>General</u>	<u>Recreation Capital Projects</u>	<u>Other Governmental Funds</u>	
<b>REVENUES</b>				
Ad valorem taxes	\$ 32,658,938	\$ -	\$ -	\$ 32,658,938
Other taxes and licenses	12,255,508	-	1,044,183	13,299,691
Unrestricted intergovernmental	3,458,723	-	-	3,458,723
Restricted intergovernmental	2,928,654	151,036	511,413	3,591,103
Permits and fees	4,204,813	-	2,610,591	6,815,404
Sales and services	5,418,897	-	-	5,418,897
Investment earnings	662,713	340,195	241,315	1,244,223
Miscellaneous	550,994	-	-	550,994
Total revenues	<u>62,139,240</u>	<u>491,231</u>	<u>4,407,502</u>	<u>67,037,973</u>
<b>EXPENDITURES</b>				
Current:				
General government	12,352,102	-	-	12,352,102
Public safety	21,376,925	-	-	21,376,925
Public works	6,467,625	-	4,900	6,472,525
Environmental protection	4,476,106	-	-	4,476,106
Cultural and recreational	4,900,883	-	-	4,900,883
Capital outlay	3,984,182	5,456,251	2,061,225	11,501,658
Debt service:				
Principal	5,925,793	-	-	5,925,793
Interest	1,512,818	-	-	1,512,818
Bond issuance costs	28,569	274,971	-	303,540
Total expenditures	<u>61,025,003</u>	<u>5,731,222</u>	<u>2,066,125</u>	<u>68,822,350</u>
Excess of revenues over (under) expenditures	<u>1,114,237</u>	<u>(5,239,991)</u>	<u>2,341,377</u>	<u>(1,784,377)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds	1,508,300	2,288,819	4,567,200	8,364,319
Transfers to other funds	(3,147,200)	-	(5,217,119)	(8,364,319)
Bonds issued	2,445,000	29,800,000	-	32,245,000
Bond premium	509,826	4,029,885	-	4,539,711
Total other financing sources (uses)	<u>1,315,926</u>	<u>36,118,704</u>	<u>(649,919)</u>	<u>36,784,711</u>
Net change in fund balances	2,430,163	30,878,713	1,691,458	35,000,334
Fund balances-beginning of year	<u>39,833,152</u>	<u>23,871,233</u>	<u>14,299,001</u>	<u>78,003,386</u>
Fund balances-end of year	<u>\$ 42,263,315</u>	<u>\$ 54,749,946</u>	<u>\$ 15,990,459</u>	<u>\$ 113,003,720</u>

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

**TOWN OF APEX, NORTH CAROLINA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2020**

**Exhibit 4**

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

Net changes in fund balances - total governmental funds		\$ 35,000,334
<p>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.</p>		
Expenditures for capital assets	\$ 11,501,658	
Less current year depreciation	<u>(19,768,683)</u>	(8,267,025)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Developer's contributed capital and donations	57,024,312	
Change in unavailble revenue for taxes	<u>40,728</u>	57,065,040
<p>The issuance of debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
Amortization of bond premium	128,611	
Principal payments	5,925,793	
Issuance of debt	(36,784,711)	
Change in accrued interest payable	<u>(55,690)</u>	(30,785,997)
Benefit payments paid for the LEOSSA are not included on the Statement of Activities		73,581
Net gain of internal service funds determined to be governmental-type		1,567,392
Repayment of loans receivable doesn't result in income to the Town	(75,000)	
Loans issued doesn't result in expenses to the Town	<u>1,000,000</u>	925,000
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Change in compensated absences	(495,112)	
Pension expense LGERS	(1,863,623)	
Pension expense LEO	(258,715)	
OPEB expense	<u>(2,725,202)</u>	(5,342,652)
Total changes in net position of governmental activities		<u>\$ 50,235,673</u>

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

**TOWN OF APEX, NORTH CAROLINA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2020**

**Exhibit 5**

	<b>General Fund</b>			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
<b>REVENUES:</b>				
Ad valorem taxes	\$ 32,470,000	\$ 32,470,000	\$ 32,658,938	\$ 188,938
Other taxes and licenses	11,758,000	11,758,000	12,255,508	497,508
Unrestricted intergovernmental	3,312,300	3,312,300	3,458,723	146,423
Restricted intergovernmental	2,639,900	2,649,700	2,928,654	278,954
Permits and fees	4,151,300	4,151,300	4,204,813	53,513
Sales and services	5,612,500	5,612,500	5,418,897	(193,603)
Investment earnings	760,900	751,100	661,097	(90,003)
Miscellaneous	376,500	376,500	550,994	174,494
Total revenues	<u>61,081,400</u>	<u>61,081,400</u>	<u>62,137,624</u>	<u>1,056,224</u>
<b>EXPENDITURES:</b>				
Current:				
General government	13,608,600	16,534,959	13,671,588	2,863,371
Public safety	24,466,300	24,773,548	22,121,082	2,652,466
Public works	8,982,800	10,460,161	7,764,569	2,695,592
Solid waste	5,001,500	5,001,887	4,849,384	152,503
Cultural and recreation	5,818,000	6,011,584	5,151,200	860,384
Debt service:				
Principal	3,000,800	5,925,800	5,925,793	7
Interest and fees	1,511,700	1,512,957	1,512,818	139
Bond issuance costs	-	28,568	28,569	(1)
Total expenditures	<u>62,389,700</u>	<u>70,249,464</u>	<u>61,025,003</u>	<u>9,224,461</u>
Revenues over (under) expenditures	<u>(1,308,300)</u>	<u>(9,168,064)</u>	<u>1,112,621</u>	<u>10,280,685</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfer from other funds	1,708,300	1,708,300	1,508,300	(200,000)
Transfer to other funds	(2,577,200)	(3,147,200)	(3,147,200)	-
Bond proceeds	-	2,445,000	2,445,000	-
Bond premium	-	509,825	509,826	1
Contingency	(150,000)	(150,000)	-	150,000
Fund balance appropriated	2,327,200	7,802,139	-	(7,802,139)
Total other financing sources (uses)	<u>1,308,300</u>	<u>9,168,064</u>	<u>1,315,926</u>	<u>(7,852,138)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>2,428,547</u>	<u>\$ 2,428,547</u>
Fund balance - beginning of year			<u>39,724,792</u>	
Fund balance - end of year			42,153,339	
A legally budgeted Fire Capital Reserve fund is consolidated in the General Fund for reporting purposes:				
Investment earnings			1,616	
Fund balance - beginning of year			108,360	
Fund balance - end of year (Exhibit 4)			<u>\$ 42,263,315</u>	

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

**TOWN OF APEX, NORTH CAROLINA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**June 30, 2020**

**Exhibit 6**

	<b>Enterprise Funds</b>			<b>Internal Service Fund</b>
	<b>Electric Fund</b>	<b>Sewer Fund</b>	<b>Totals</b>	
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 13,030,728	60,174,349	\$ 73,205,077	\$ 1,220,659
Accounts receivable (net) - billed	3,761,373	1,830,888	5,592,261	244,364
Accounts receivable - unbilled	2,841,053	1,186,461	4,027,514	-
Inventories	1,673,020	285,734	1,958,754	-
Prepaid items	-	-	-	6,182
Restricted cash and cash equivalents	5,689,088	992,045	6,681,133	-
Total current assets	<u>26,995,262</u>	<u>64,469,477</u>	<u>91,464,739</u>	<u>1,471,205</u>
Noncurrent assets:				
Land and construction in progress	7,599,902	70,835,255	78,435,157	-
Other capital assets, net of depreciation	37,692,362	176,972,225	214,664,587	-
Total noncurrent assets	<u>45,292,264</u>	<u>247,807,480</u>	<u>293,099,744</u>	<u>-</u>
Total assets	<u>72,287,526</u>	<u>312,276,957</u>	<u>384,564,483</u>	<u>1,471,205</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
OPEB deferrals	588,548	690,176	1,278,724	-
Pension deferrals	741,413	907,788	1,649,201	-
Total deferred outflows of resources	<u>1,329,961</u>	<u>1,597,964</u>	<u>2,927,925</u>	<u>-</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable and accrued liabilities	4,015,826	2,439,637	6,455,463	300,029
Customer deposits	730,531	-	730,531	-
Accrued interest payable	113,142	146,562	259,704	-
Bonds and notes payable	991,000	2,567,695	3,558,695	-
Compensated absences	91,171	138,969	230,140	-
Total current liabilities	<u>5,941,670</u>	<u>5,292,863</u>	<u>11,234,533</u>	<u>300,029</u>
Noncurrent liabilities:				
Compensated absences	78,679	39,112	117,791	-
Net OPEB liability	3,058,852	3,493,503	6,552,355	-
Bonds and notes payable	11,351,000	46,137,384	57,488,384	-
Net pension liability	1,225,295	1,506,112	2,731,407	-
Total noncurrent liabilities	<u>15,713,826</u>	<u>51,176,111</u>	<u>66,889,937</u>	<u>-</u>
Total liabilities	<u>21,655,496</u>	<u>56,468,974</u>	<u>78,124,470</u>	<u>300,029</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
OPEB deferrals	261,939	294,437	556,376	-
Pension deferrals	12,744	15,498	28,242	-
Total deferred inflows of resources	<u>274,683</u>	<u>309,935</u>	<u>584,618</u>	<u>-</u>
<b>NET POSITION</b>				
Net investment in capital assets	38,578,448	200,190,548	238,768,996	-
Unrestricted	13,108,860	56,905,464	70,014,324	1,171,176
Total net position	<u>\$ 51,687,308</u>	<u>\$ 257,096,012</u>	<u>\$ 308,783,320</u>	<u>\$ 1,171,176</u>

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

**TOWN OF APEX, NORTH CAROLINA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**For the Year Ended June 30, 2020**

**Exhibit 7**

	<b>Enterprise Funds</b>			<b>Internal Service Fund</b>
	<b>Electric Fund</b>	<b>Water and Sewer Fund</b>	<b>Totals</b>	
<b>OPERATING REVENUES</b>				
Charges for services	\$ 38,663,296	19,006,567	\$ 57,669,863	\$ 6,293,778
Water and sewer taps	-	523,366	523,366	-
Other operating revenues	4,011,279	435,657	4,446,936	-
Total operating revenues	<u>42,674,575</u>	<u>19,965,590</u>	<u>62,640,165</u>	<u>6,293,778</u>
<b>OPERATING EXPENSES</b>				
Electric operations	9,081,616	-	9,081,616	-
Electric power purchases	27,658,546	-	27,658,546	-
Water and sewer operations	-	12,920,055	12,920,055	-
Depreciation	2,760,235	10,680,288	13,440,523	-
Health and dental claims	-	-	-	3,828,695
Health and dental administrative fees	-	-	-	897,693
Total operating expenses	<u>39,500,397</u>	<u>23,600,343</u>	<u>63,100,740</u>	<u>4,726,388</u>
Operating income (loss)	<u>3,174,178</u>	<u>(3,634,753)</u>	<u>(460,575)</u>	<u>1,567,390</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment earnings	256,338	954,361	1,210,699	-
Interest expense	(204,129)	(1,478,756)	(1,682,885)	-
Bond issuance costs	(112,803)	-	(112,803)	-
Gain on sale of capital assets	-	17,260	17,260	-
Intergovernmental revenues	90,385	339,091	429,476	-
Total nonoperating revenues (expenses)	<u>29,791</u>	<u>(168,044)</u>	<u>(138,253)</u>	<u>-</u>
Income before transfers and contributions	<u>3,203,969</u>	<u>(3,802,797)</u>	<u>(598,828)</u>	<u>1,567,390</u>
Capital contributions	-	24,463,636	24,463,636	-
Change in net position	<u>3,203,969</u>	<u>20,660,839</u>	<u>23,864,808</u>	<u>1,567,390</u>
Total net position - beginning of year	<u>48,483,339</u>	<u>236,435,173</u>	<u>284,918,512</u>	<u>(396,214)</u>
Total net position - ending	<u>\$ 51,687,308</u>	<u>\$ 257,096,012</u>	<u>\$ 308,783,320</u>	<u>\$ 1,171,176</u>

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

**TOWN OF APEX, NORTH CAROLINA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For the Fiscal Year Ended June 30, 2020**

**Exhibit 8**

	<b>Business-Type Activities</b>			
	<b>Enterprise Funds</b>			<b>Internal Service Fund</b>
	<b>Electric Fund</b>	<b>Water and Sewer Fund</b>	<b>Totals</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from customers	\$ 42,753,513	\$ 19,659,809	\$ 62,413,322	\$ 6,064,418
Cash paid for goods and services	(31,368,554)	(7,785,016)	(39,153,570)	(4,750,694)
Cash paid to or on behalf of employees for services	(4,380,415)	(5,540,357)	(9,920,772)	-
Increase in customer deposits	25,080	-	25,080	-
Net cash provided by operating activities	<u>7,029,624</u>	<u>6,334,436</u>	<u>13,364,060</u>	<u>1,313,724</u>
<b>NONCAPITAL FINANCING ACTIVITIES</b>				
Interfund loan repayment (advances)	9,697	16,576	26,273	(93,065)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition and construction of capital assets	(7,836,058)	(3,823,829)	(11,659,887)	-
Bonds issued	10,000,000	-	10,000,000	-
Bond issuance costs	(112,803)	-	(112,803)	-
Contributions from other agencies	90,385	339,091	429,476	-
Sale of capital assets	-	17,260	17,260	-
Capacity and capital reimbursement fees	-	7,557,222	7,557,222	-
Lawsuit settlement payment	-	(14,558,099)	(14,558,099)	-
Principal paid on bond maturities and equipment contracts	(535,000)	(2,414,539)	(2,949,539)	-
Interest paid on bond maturities and equipment contracts	(104,077)	(1,561,605)	(1,665,682)	-
Net cash provided (used) by capital and related financing activities	<u>1,502,447</u>	<u>(14,444,499)</u>	<u>(12,942,052)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest	256,338	954,361	1,210,699	-
Net increase (decrease) in cash and cash equivalents	8,798,106	(7,139,126)	1,658,980	1,220,659
Balances-beginning of the year	9,921,710	68,305,520	78,227,230	-
Balances-end of the year	<u>\$ 18,719,816</u>	<u>\$ 61,166,394</u>	<u>\$ 79,886,210</u>	<u>\$ 1,220,659</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ 3,174,178	\$ (3,634,753)	\$ (460,575)	\$ 1,567,390
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	2,760,235	10,680,288	13,440,523	-
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	78,938	(305,781)	(226,843)	(229,361)
Decrease in prepaid expenses	-	-	-	55,698
Decrease in deposits paid	-	-	-	35,100
(Increase) decrease in inventory	7,784	(35,300)	(27,516)	-
Decrease in deferred outflows of resources for pensions	86,018	104,573	190,591	-
Increase in net pension liability	163,882	205,664	369,546	-
Decrease in deferred inflows of resources for pensions	(5,538)	(3,578)	(9,116)	-
Increase (decrease) in accounts payable and accrued liabilities	534,566	(897,297)	(362,731)	(115,103)
Decrease in accrued compensated absences	(10,083)	(65,788)	(75,871)	-
Decrease in deferred outflows of resources for OPEB	(393,912)	(479,082)	(872,994)	-
Increase in deferred inflows of resources for OPEB	78,609	95,606	174,215	-
Increase in net OPEB liability	529,867	669,884	1,199,751	-
Increase in customer deposits	25,080	-	25,080	-
Total adjustments	<u>3,855,446</u>	<u>9,969,189</u>	<u>13,824,635</u>	<u>(253,666)</u>
Net cash provided (used) by operating activities	<u>\$ 7,029,624</u>	<u>\$ 6,334,436</u>	<u>\$ 13,364,060</u>	<u>\$ 1,313,724</u>
<b>NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>				
Contributions of capital assets	\$ -	\$ 16,906,414	\$ 16,906,414	\$ -
Acquisition of capital assets through capital contributions	-	(16,906,414)	(16,906,414)	-
Net effect of non-cash contributions	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**TOWN OF APEX, NORTH CAROLINA  
STATEMENT OF NET POSITION  
FIDUCIARY FUND  
June 30, 2020**

**Exhibit 9**

	Other Post- Employment Benefits Trust Fund
<b>ASSETS</b>	
Cash and cash equivalents	\$ 624,030
<b>LIABILITIES</b>	-
<b>NET POSITION</b>	
Restricted for postemployment benefits	\$ 624,030

**TOWN OF APEX, NORTH CAROLINA  
STATEMENT OF CHANGES IN NET POSITION  
FIDUCIARY FUND  
For the Fiscal Year Ended June 30, 2020**

**Exhibit 10**

	Other Post- Employment Benefits Trust Fund
<b>ADDITIONS</b>	
Employer contributions	\$ 504,835
Net investment income	24,030
Total additions	528,865
 <b>DEDUCTIONS</b>	
Benefit payments	154,835
Change in net position	374,030
Net position, beginning of year	250,000
Net position, end of year	\$ 624,030

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

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Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Apex have been prepared in conformity with generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

(a) Reporting Entity

The Town, a political subdivision of Wake County, is a municipal corporation governed by an elected mayor and a five member Town Council. There are no component units which are required to be included in these financial statements.

(b) Basis of Presentation

*Government-wide Statements:* The statement of net position and the statement of activities include all the nonfiduciary activities of the overall government. All fiduciary activities are reported only in the fund financial statements. Eliminations have been made to minimize the double counting of internal activities. Interfund services provided and used are not eliminated in this process. These statements distinguish between the governmental and business-type activities of the Town. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

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

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies, result from non-exchange transactions. Other non-operating revenues are from ancillary activities such as investment earnings. In addition, acreage and capacity fees are considered contributed capital and are restricted until used for capital improvements.

*The Town reports the following major governmental funds:*

General Fund – The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, state-shared revenues, grants, building permits and fees, refuse collection charges and various other taxes and fees. The primary expenditures are for public safety, streets, sanitation, parks and recreation, and general governmental services. Additionally, the Town has legally adopted a Fire Capital Reserve Fund. Under GASB 54 guidance the Fire Capital Reserve Fund is consolidated in the General Fund.

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

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Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The budgetary comparison for the Fire Capital Reserve Fund has been included in the supplemental information.

Recreation Capital Project Fund – The Recreation Capital Project Fund is used to account for financial resources to be used for projects related to the construction or improvement of recreation facilities in the Town.

*The Town reports the following major proprietary funds:*

Electric Fund – The Electric Fund is used to account for electric operations. The Electric Fund is composed of two sub-funds: Electric Operations and the Electric Substation Project Fund, which are consolidated for financial reporting purposes.

Water and Sewer Fund – The Water and Sewer Fund is used to account for water and sewer operations. The Water and Sewer Fund is composed of four sub-funds: Water and Sewer Operations, Water and Sewer Project Fund, Wastewater Treatment Plant Project Fund, Water and Sewer Capital Reserve Fund and Water and Sewer HB463 Capital Reserve Fund, which are consolidated for financial reporting purposes.

*The Town reports the following nonmajor governmental funds:*

Special Revenue Fund – The Eva Perry Library Fund is used to account for resources that are set aside to be used for future specific purposes.

Capital Project Funds – Capital project funds are used to account for financial resources to be used for the acquisition or construction of major facilities (other than those financed by proprietary funds). The Town has four non-major Capital Project Funds: the Street Improvements Capital Project Fund, the Recreation Capital Project Reserve Fund, the Transportation Capital Project Reserve Fund and the General Capital Projects Fund.

Permanent Fund – The Cemetery Permanent Fund is used to account for perpetual care of the municipal cemetery.

*Additionally, the Town reports the following fund types:*

Internal Service Fund – The Health and Dental Fund is used to account for health and dental claims of employees and certain retirees.

Trust Fund – Trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, or other postemployment benefit plans. The Other Postemployment Benefits Trust Fund accounts for the Town's contributions for healthcare coverage provided to qualified retirees.

(c) Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

*Government-wide, Proprietary and Fiduciary Fund Financial Statements.* The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide, proprietary and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Town gives (or

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

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Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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. 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 Town's enterprise fund are charges to customers for sales and services. The Town 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 on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

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

Sales taxes and certain intergovernmental revenues, such as the utilities sales tax, collected and held by the State at year-end on behalf of the Town are recognized as revenue. Sales taxes are considered shared revenue for the Town of Apex because the tax is levied by Wake 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. Grant revenues which are unearned at year-end are recorded as unearned revenues. Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

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Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

is the Town’s policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

(d) Budgetary Data

Budgets are adopted as required by North Carolina General Statutes. An annual budget ordinance is adopted for the General, special revenue, permanent, capital reserve capital projects and enterprise funds. All annual appropriations lapse at fiscal year-end. Project ordinances, which may cover more than one year, are adopted for the remaining capital project funds. The enterprise fund projects are consolidated with their respective operating fund for reporting purposes. The Town’s Health and Dental Fund, an internal service fund, operates under a financial plan that was adopted by the governing board at the time the Town’s budget ordinance was approved, as is required by the General Statutes. All budgets are prepared using the modified accrual basis of accounting.

Expenditures may not legally exceed appropriations at the fund level for all annually budgeted funds and at the object level for the multi-year funds. The Town Manager is authorized by the budget ordinance to transfer appropriations between functional areas within a fund. Any revisions that alter total expenditures of any fund must be approved by the Town Council. During the year several amendments to the original budget became necessary. Material amendments were made to the budget of the General Fund for a current refunding of debt and to appropriate additional fund balance in support of an emergency loan program for Apex businesses suffering from the economic impact of COVID 19. 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

1. Deposits and Investments

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

State law G.S. 159-30(c) authorizes the Town to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and banker’s acceptances; and the North Carolina Capital Management Trust (NCCMT). The Town’s risk investments are reported at fair value. The NCCMT Government Portfolio, a SEC-registered (2a-7) money market mutual fund, is measured at fair value. The NCCMT-Term Portfolio is a bond fund, has no rating and is measured at fair value. As of June 30, 2020, the Term portfolio has a duration of .15 years. Because the NCCMT Government and Term Portfolios have a weighted average maturity of less than 90 days, they are presented as an investment with a maturity of less than 6 months.

General Statute 159-30.1 allows the Town to establish and fund an irrevocable trust for the purpose of paying post-employment benefits (OPEB) for which the Town is liable. The Town Other Postemployment Benefit (OPEB) Trust is managed by the staff of the Department of the State Treasurer and operated in accordance with state laws and regulations. The Trust is not registered with the SEC. G.S. 159-30(g) allows the City to make contributions to the Trust. The State Treasurer in his discretion may invest the proceeds in equities of certain publicly held companies and long or short-term fixed income investments as detailed in G.S. 147-69-2(b) (1-6)

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

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Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

and (8). Funds submitted are managed in three different sub-funds, the State Treasurer’s Short Term Investment Fund (STIF) consisting of short to intermediate treasuries, agencies and corporate issues authorized by G.S. 147-69.1, the Bond Index Fund (BIF) consisting of high quality debt securities eligible under G.S. 147-69.2(b)(1)-(6)m and BlackRock’s MSCI ACWI EQ Index Non-Lendable Class B Fund authorized under G.S. 147-69.2(b)(8).

The North Carolina Capital Management Trust (NCCMT) which consists of two SEC registered funds, is authorized by G.S. 159-30(c)(8). One of these funds, the Government Portfolio, is a 2a-7 fund which invests in treasuries and government agencies and is rated AAAM by S&P. The second fund, the Term Portfolio, is a short-term bond fund investing in treasuries, government agencies, and money market instruments allowed under G.S. 159-30. The Term Portfolio has no rating. Both the Government Portfolio and Term Portfolios are reported at fair value.

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

The BIF is measured at fair value using Level 2 inputs and is based upon units of participation. Units of participation are calculated monthly based upon inflows and outflows as well as allocations of net earnings. BIF does not have a credit rating, was valued at \$1 per unit and had an average maturity of 7.97 years at June 30, 2020.

The Blackrock MSCI ACWI EZ Index Non-Lendable Class B fund, authorized under G.S. 147-69.2(b)(8), is a common trust fund considered to be commingled in nature. The Fund’s fair value is the number of shares times the net asset value as determined by a third party. At June 30, 2020 the fair value of the funds was \$23.107392 per share. Fair value for this Blackrock fund is determined using Level 1 inputs which are directly observable, quoted prices (unadjusted) in active markets for identical assets or liabilities.

2. Cash and Cash Equivalents

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

3. Restricted Assets

Certain police and fire safety moneys are classified as restricted because its use is restricted by donors or state and federal law. Money from the sale of cemetery plots is restricted for use in cemetery perpetual care. In addition, funds transferred from the Cemetery Fund to the General Capital Project Fund for parking improvements that have not yet been expended are also restricted. Unspent inspection funds are also classified as restricted cash because then can be expended only for the purposes outlined in State Statute (G.S. 160A-414). The unexpended bond and note proceeds in the Recreation Capital Project Fund, the Street Improvement Capital Project Fund and the Electric Capital Projected Fund are classified as restricted assets because their use is completely restricted for the purpose for which the debt was originally issued. Amounts received for Capital Reimbursement fees are restricted until spent for future capital improvements or debt service on existing capital assets.

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restricted assets at June 30, 2020 consist of:

General Fund	
Public Safety	\$ 305,874
General Government - Inspections	708,580
Street Improvement Capital Project Fund	
Future projects	582,484
Recreation Capital Project Fund	
Future projects	45,562,859
General Capital Project Fund	
Environmental Services	594,000
Water and Sewer Capital Reserve Fund	
Capital Reimbursement	1,992,045
Electric Substation Project Fund	
Future projects	5,689,088
Cemetery Fund	
Environmental Services	92,518
Total Restricted Cash	\$ 54,527,448

4. Ad Valorem Taxes Receivable

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

5. Allowances for Doubtful Accounts

An allowance for doubtful accounts is maintained on the ad valorem taxes receivable in the General Fund and on utility receivables in the Electric Fund and the Water and Sewer Fund. This amount is estimated by analyzing the percentage of receivables that are written off in prior years. The direct write-off method is used by the Town on all other types of receivables. Under this method, all accounts considered uncollectible at June 30, 2020 have been charged against operations.

6. Inventories and Prepaid Items

The inventories of the Town are valued at cost (weighted average), which approximates market. The Town's General Fund inventory consists of expendable supplies that are recorded as expenditures as used rather than when purchased. The inventories of the Town's enterprise funds consist of materials and supplies held for subsequent use. The cost of these inventories is expensed when consumed rather than when purchased.

Certain payments to vendors reflect amounts applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

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Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

7. Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Donated capital assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. General infrastructure assets acquired prior to July 1, 2003 consist of the road network assets and Water and Sewer, as well as Electric assets that were acquired or received substantial improvements subsequent to July 1, 1980 and are reported at estimated historical cost using deflated replacement cost. Other costs incurred for repairs and maintenance is expensed as incurred. Capital assets are depreciated on a straight-line basis as follows:

<u>Item</u>	<u>Life</u>
Infrastructure	30 years
Vehicles and Motorized Equipment	3-10 years
Electric, Water and Sewer Systems	30-40 years
Buildings and Improvements	10-30 years
Land improvements	10 to 33 years
Equipment and Furniture	5 to 8 years

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Town has two items that meet this criterion, pension deferrals and other post-employment benefits (OPEB) deferrals for the 2020 fiscal year. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Town has five items that meets the criterion for this category – prepaid taxes, prepaid recreation fees, prepaid fire contract, pension and OPEB deferrals.

9. Long-term Obligations

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

In the 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 net proceeds received, are reported as debt service expenditures.

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

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Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

10. Compensated Absences

The vacation policy of the Town allows employees to carry forward each December 31 of up to thirty (30) days earned vacation leave with such leave being fully vested when earned. The Town's policy for compensatory

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

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

11. Net position/Fund Balances

Net position

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

Fund Balances

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

The governmental fund types classify fund balances as follows:

Non-spendable 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.

*Cemetery perpetual care* – Cemetery resources that are required to be retained in perpetuity for maintenance of the cemetery.

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

*Inventories* – portion of fund balance that is not an available resource because it represents the year-end balance of ending inventories, which are not spendable resources.

Restricted Fund Balance

This classification includes amounts of fund balance restricted by or subject to externally enforceable legal restrictions, including, but not limited to creditors, grantors, contributors, or other governments through enabling legislation.

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

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Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

*Restricted for public safety* – portion of fund balance that is restricted by revenue source for certain public safety expenditures.

*Restricted for inspections* – *Inspection portion of fund balance that is restricted by State Statute [G.S. 160A-414].*

*Restricted for street improvements* – portion of fund balance is unexpended debt proceeds and restricted until used for capital improvement for which the debt was issued.

*Restricted for recreation improvements* – portion of fund balance is unexpended debt proceeds and restricted until used for capital improvement for which the debt was issued.

Committed Fund Balance

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

*Committed for cemetery perpetual care* – portion of fund balance committed by the Council for maintenance of the cemetery.

*Committed for street improvements* – portion of fund balance committed by the Council for street capital improvements.

*Committed for recreation improvements* – portion of fund balance committed by the Council for recreational capital improvements.

*Committed for public safety improvements* – portion of fund balance committed by the Council for general capital improvements.

*Committed for library maintenance* – portion of fund balance committed by the Council for Perry Library expenditures.

*Committed for LEO pension obligation* – portion of fund balance that will be used for the Law Enforcement Officers' Special Separation Allowance obligations.

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

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Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assigned Fund Balance

This classification includes amounts of fund balance that reflect a government's intended use of resources. Assignments are created, amended, or eliminated by the Town Council through budget ordinances or amendments to previously approved budget ordinances.

*Assigned for recreation improvements* – portion of fund balance budgeted by the Council for recreation capital improvements.

*Assigned for street improvements* - portion of fund balance that has been budgeted by the Council for street improvements.

*Assigned for subsequent years expenditures* – portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed.

Unassigned Fund Balance

The portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

The Town has adopted a minimum fund balance policy for the General Fund which states unassigned fund balance will be at least 25% of expenditures. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed by committed, then assigned, and lastly unassigned. For programs with multiple revenue sources, the Town uses the following hierarchy; bond proceeds first, then federal funds, State funds, local non-town funds, and finally Town funds. The Finance Director has the authority to deviate from this policy if it is in the best interest of the Town.

Defined Benefit Pension and OPEB Plans

The Town participates in one cost-sharing, multiple-employer, defined benefit pension plan that is administered by the State; the Local Governmental Employees' Retirement System (LGERS), and one other postemployment benefit plan (OPEB), the Healthcare Benefits Plan (HCB). For purposes of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the state-administered defined benefit pension plan and additions to/deductions from the state-administered defined benefit pension plans' fiduciary net position have been determined on the same basis as they are reported by the state-administered defined benefit pension plans. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The Town's employer contributions are recognized when due and the Town has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the state-administered defined benefit pension plans. For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the HCB and additions to/deductions from the HCB's fiduciary net position have been determined on the same basis as they are reported by the HCB. For this purpose, the HCB recognizes benefit payments when due and payable in accordance with the benefit terms. Investments for all plans are reported at fair value.

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 2 – DEPOSITS AND INVESTMENTS

Deposits - All of the Town’s deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage are collateralized with securities held by the Town’s agent in the Town’s name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer’s agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Town, these deposits are considered to be held by the Town’s agent in the Town’s name. The amount of the pledged collateral is based

on an approved averaging method for non-interest bearing deposits and the actual current balance for interest bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Town or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the Town under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The Town has no formal policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The Town complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2020, the carrying amount of the Town’s deposits was \$66,392,728 and the bank balance was \$67,687,527. Of the bank balance, \$1,338,743 was covered by Federal depository insurance and \$66,348,784 was covered by collateral held under the pooling method. At June 30, 2020, the Town had \$1,875 of petty cash on hand.

Investments – at June 30, 2020, the Town’s investments consisted of the following:

Investments by Type	Valuation Measurement Method	Book Value	Maturity	Rating
NC Capital Management Trust Government Portfolio	Fair Value Level 1	\$ 101,368,636	N/A	AAAm
NC Capital Management Trust Term Portfolio	Fair Value Level 1	27,809,595	.15 Years	Unrated
Total		<u>\$ 129,178,231</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 valued using directly observable, quoted prices (unadjusted) in active markets for identical assets.

*Interest Rate Risk:* The Town has a policy limiting its exposure to fair value losses arising from increasing interest rates by limiting maturities of investments to three years or less from the date of purchase.

*Credit Risk:* The Town has no formal policy regarding credit risk, but has internal management procedures that limits the Town’s investment to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible rating whenever particular types of securities are rated. The Town’s investment in the NC Capital Management Trust Government Portfolio carried a rating of AAAm by Standard and Poor’s as of June 30, 2020. The Town’s investment in the NC Capital Management Trust Term Portfolio is unrated. The Term Portfolio is authorized to invest in obligations of the U.S. government and agencies, and in high grade money market instruments as permitted under North Carolina General Statutes 159-30 as amended.

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 2 – DEPOSITS AND INVESTMENTS (continued)

*Custodial Credit Risk:* For an investment, the custodial risk is the risk that in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town has no formal policy on custodial credit risk, but management procedures are that the Town shall utilize a third party custodial agent for book entry transactions, all of which shall be held in the Town’s name.

At June 30, 2020 the Town Healthcare Benefits (HCB) Plan Fund had \$621,183 invested in the State Treasurer’s Local Government Other Post-Employment Benefits (OPEB) Trust pursuant to G.S. 159-30.1. The State Treasurer’s OPEB Trust may invest in public equities and both long-term and short-term fixed income obligations as determined by the State Treasurer pursuant to General Statutes. At year-end, the State Treasurer’s OPEB Trust was invested as follows: State Treasurer’s STIF .15%; State Treasurer’s BIF 36.77% and BlackRock’s MSCI ACWI EQ Index Non-Lendable Class B Fund 63.08% (the equities were split with 57.49% in domestic securities and 42.51% in international securities).

Note 3 – RECEIVABLES - ALLOWANCE FOR DOUBTFUL ACCOUNTS

The amounts shown on the Balance Sheet and the Statement of Net Position for receivables for the year ended June 30, 2020 are net of the following allowances for doubtful accounts:

Fund	Allowance for Uncollectible:		
General Fund	Property Taxes receivable	\$	110,556
Electric Fund	Utility Receivables		226,987
Water and Sewer Fund	Utility Receivables		77,773
	Total	\$	415,316

The Town approved funding of \$1,000,000 in loans to small businesses located in Apex that were experiencing hardships related to COVID 19. Loans of up to \$50,000 per business are available and the program is being administered by the North Carolina Rural Economic Development Center. At June 30, 2020 the entire balance of \$1,000,000 had been transferred to the North Carolina Rural Economic Development Center but there had been no transfers to local businesses as of this date.

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 104,547,215	\$ 8,555,566	\$ -	\$ 113,102,781
Construction in progress	6,637,333	7,671,661	2,741,100	11,567,894
Total capital assets not being depreciated	<u>111,184,548</u>	<u>16,227,227</u>	<u>2,741,100</u>	<u>124,670,675</u>
Capital assets being depreciated:				
Buildings	48,444,520	745,998	-	49,190,518
Other improvements	445,310,156	52,435,179	-	497,745,335
Equipment and furniture	8,487,265	733,204	22,002	9,198,467
Vehicles and motorized equipment	13,552,276	1,125,462	109,977	14,567,761
	<u>515,794,217</u>	<u>55,039,843</u>	<u>131,979</u>	<u>570,702,081</u>
Less accumulated depreciation for:				
Buildings	19,505,582	1,600,618	-	21,106,200
Other improvements	117,868,693	15,891,476	-	133,760,169
Equipment and furniture	4,102,976	699,898	22,002	4,780,872
Vehicles and motorized equipment	8,701,781	1,576,691	109,977	10,168,495
Total accumulated depreciation	<u>150,179,032</u>	<u>\$ 19,768,683</u>	<u>\$ 131,979</u>	<u>169,815,736</u>
Total capital assets being depreciated, net	<u>365,615,185</u>			<u>400,886,345</u>
Governmental activity capital assets, net	<u>\$ 476,799,733</u>			<u>\$ 525,557,020</u>
Depreciation expense was charged to functions/programs as follows:				
General government		\$ 977,373		
Public safety		1,974,261		
Public works		14,694,249		
Environmental protection		203,302		
Cultural and recreational		1,919,498		
Total		<u>\$ 19,768,683</u>		

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 4 - CAPITAL ASSETS (continued)

<b>Business activities</b>	Beginning			Ending
<b>ELECTRIC FUND</b>	Balances	Increases	Decreases	Balances
Capital assets not being depreciated:				
Land	\$ 2,827,007	\$ -	\$ -	\$ 2,827,007
Construction in progress	532,715	4,240,180	-	4,772,895
Total capital assets not being depreciated	<u>3,359,722</u>	<u>4,240,180</u>	<u>-</u>	<u>7,599,902</u>
Capital assets being depreciated:				
Utility improvements	55,054,577	3,171,379	-	58,225,956
Building and land improvements	6,780,804	-	-	6,780,804
Equipment and furniture	1,104,859	145,517	58,105	1,192,271
Vehicles and motorized equipment	2,591,178	278,983	156,587	2,713,574
Total capital assets being depreciated	<u>65,531,418</u>	<u>3,595,879</u>	<u>214,692</u>	<u>68,912,605</u>
Less accumulated depreciation for:				
Utility improvements	22,802,088	1,830,632	-	24,632,720
Building and land improvements	3,104,345	636,944	-	3,741,289
Equipment and furniture	801,786	53,573	58,105	797,254
Vehicles and motorized equipment	1,966,481	239,086	156,587	2,048,980
Total accumulated depreciation	<u>28,674,700</u>	<u>2,760,235</u>	<u>214,692</u>	<u>31,220,243</u>
Total capital assets being depreciated, net	<u>36,856,718</u>	<u>\$ 835,644</u>	<u>\$ -</u>	<u>37,692,362</u>
Capital assets, net	<u>\$ 40,216,440</u>			<u>\$ 45,292,264</u>
<b>WATER AND SEWER FUND</b>	Beginning			Ending
<b>WATER AND SEWER FUND</b>	Balances	Increases	Decreases	Balances
Capital assets not being depreciated:				
Land	\$ 52,330,451	\$ 9,910,938	\$ -	\$ 62,241,389
Construction in progress	6,614,326	2,623,412	643,872	8,593,866
Total capital assets not being depreciated	<u>58,944,777</u>	<u>12,534,350</u>	<u>643,872</u>	<u>70,835,255</u>
Capital assets being depreciated:				
Utility improvements	265,057,535	8,466,370	-	273,523,905
Building and land improvements	8,343,274	-	-	8,343,274
Intangibles	3,490,000	-	-	3,490,000
Equipment and furniture	2,801,648	84,874	-	2,886,522
Vehicles and motorized equipment	2,867,970	288,523	88,432	3,068,061
Total capital assets being depreciated	<u>282,560,427</u>	<u>8,839,767</u>	<u>88,432</u>	<u>291,311,762</u>
Less accumulated depreciation for:				
Utility improvements	95,167,251	9,895,131	-	105,062,382
Building and land improvements	1,509,332	266,710	-	1,776,042
Intangibles	3,490,000	-	-	3,490,000
Equipment and furniture	1,739,841	184,136	-	1,923,977
Vehicles and motorized equipment	1,841,257	334,311	88,432	2,087,136
Total accumulated depreciation	<u>103,747,681</u>	<u>10,680,288</u>	<u>88,432</u>	<u>114,339,537</u>
Total capital assets being depreciated, net	<u>178,812,746</u>	<u>\$ (1,840,521)</u>	<u>\$ -</u>	<u>176,972,225</u>
Capital assets, net	<u>\$ 237,757,523</u>			<u>\$ 247,807,480</u>

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 4 – CAPITAL ASSETS (continued)

Construction Commitments

At June 30, 2020, the Town had contractual commitments as follows:

Project	Spent to Date	Remaining Commitment
Street Improvements Projects	\$ 3,755,270	\$ 679,960
Recreation Capital Projects	7,268,140	19,585,414
Wastewater Treatment Plant Projects	420,108	-
Water/Sewer Capital Projects	8,173,757	518,390
Electric Substation Capital Project	4,772,895	87,500

Note 5 – PENSION PLAN OBLIGATIONS

(a) Local Governmental Employees' Retirement System

1. Plan Description

The Town of Apex 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 government entities. Article 3 of North Carolina 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 Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454, or at [www.osc.nc.gov](http://www.osc.nc.gov).

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

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

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Note 5 – PENSION PLAN OBLIGATIONS (continued)

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. Town of Apex employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The Town of Apex's contractually required contribution rate for the year ended June 30, 2020, was 9.70% of compensation for law enforcement officers and 8.95% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Town of Apex were \$2,764,098 for the year ended June 30, 2020.

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

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

At June 30, 2020, the Town reported a liability of \$11,680,973 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2019, the Town's proportion was 0.42773%, which was an increase of 0.00361% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the Town recognized pension expense of \$5,158,364. At June 30, 2020 the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 5 – PENSION PLAN OBLIGATIONS (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,000,078	\$ -
Changes of assumptions	1,903,805	-
Net difference between projected and actual earnings on investments	284,915	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	55,819	119,333
Town contributions subsequent to the measurement date	2,764,098	-
Total	\$ 7,008,715	\$ 119,333

\$2,764,098 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date, before the fiscal year end, will be recognized as a decrease of the net pension liability in the year ended June 30, 2021.

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

**Year ended June 30:**

2021	\$ 2,053,202
2022	639,632
2023	1,129,899
2024	302,551
Total	\$ 4,125,284

*Actuarial Assumptions.* The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.5 to 8.10 percent, including inflation and productivity factor
Investment rate of return	7.00 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, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

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

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 5 – PENSION PLAN OBLIGATIONS (continued)

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2020 are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation Protection	6.0%	4.0%
Total	100%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2018 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 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Town's proportionate share of the net pension liability to changes in the discount rate.* The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the Town's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Town's proportionate share of the net pension liability (asset)	\$ 26,716,521	\$ 11,680,973	\$ (816,614)

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 5 – PENSION PLAN OBLIGATIONS (continued)

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

(b) Law Enforcement Officers Special Separation Allowance

1. Plan Description

The Town of Apex administers a public employee retirement system (the *Separation Allowance*), a single-employer defined benefit pension plan that provides retirement benefits to the Town’s qualified sworn law enforcement officers 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 creditable service. The Separation Allowance is equal to .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 Town are covered by the Separation Allowance. At December 31, 2018, the Separation Allowance’s membership consisted of:

Retirees receiving benefits	6
Active plan members	<u>78</u>
Total	<u><u>84</u></u>

2. Summary of Significant Accounting Policies

**Basis of Accounting:** The Town has chosen to fund the Separation Allowance on a pay as you go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits 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 following criteria which are outlined in GASB Statement 73. At June 30, 2020, \$864,756 of committed net position was available to pay Separation Allowance obligations.

3. Actuarial Assumptions

The entry age normal method was used in the December 31, 2018 valuation. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount rate	3.26 percent
Projected salary increases	3.50 to 7.35 percent, including inflation and productivity factor
Includes inflation at	2.50 percent

The discount rate used to measure the total pension liability is the weekly average of the Bond Buyer General Obligation 20-year Municipal Bond Index determined at the end of each month.

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 5 – PENSION PLAN OBLIGATIONS (continued)

Mortality rates are based on the RP-2014 Mortality tables projected to the valuation date using MP-2015, projected forward generationally from the valuation date using MP-2015.

4. Contributions

The Town is required by Article 12D of G. S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The Town's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The Town paid \$147,155 as benefits came due for the reporting period.

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

At June 30, 2020, the Town reported a total pension liability of \$2,937,447. The total pension liability was measured as of December 31, 2019 based on a December 31, 2018 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 30, 2019 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2020, the Town recognized pension expense of \$322,446.

At June 30, 2020 the Town reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 413,641	\$ -
Changes of assumptions	151,718	90,853
Town benefit payments and administrative costs subsequent to the measurement date	73,581	-
Total	\$ 638,940	\$ 90,853

\$73,581 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2021.

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

**Year ended June 30:**

2021	\$	102,468	
2022		102,468	
2023		105,426	
2024		94,269	
2025		59,932	
Thereafter		9,943	
Total	\$	474,506	

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 5 – PENSION PLAN OBLIGATIONS (continued)

*Sensitivity of the Town's total pension liability to changes in the discount rate.* The following presents the Town's total pension liability calculated using the discount rate of 3.26%, as well as what the Town's total pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.26 percent) or one percentage point higher (4.26 percent) than the current rate:

	1% Decrease (2.26%)	Current Discount Rate (3.26%)	1% Increase (4.26%)
Total pension liability	\$ 3,182,031	\$ 2,937,447	\$ 2,713,842

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.

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

Beginning balance	\$	2,560,742
Service cost		128,648
Interest on total pension liability		90,723
Difference between expected and actual experience		206,659
Changes of assumptions or other inputs		87,378
Benefit payments		(136,703)
Ending balance of the total pension liability	\$	2,937,447

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

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

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

		LGERS		LEOSSA		TOTAL
Pension Expense	\$	5,158,364	\$	322,446	\$	5,480,810
Pension Liability		11,680,973		2,937,447		14,618,420
Proportionate share of the net pension liability		.42773%		N/A		
 Deferred Outflows of Resources						
Differences between expected and actual experience		2,000,078		413,641		2,413,719
Changes of assumptions		1,903,805		151,718		2,055,523
Net difference between projected and actual earnings on plan investments		284,915		-		284,915
Changes in proportion and differences between contributions and proportionate share of contributions		55,819		-		55,819
Benefit payments and administrative costs paid subsequent to the measurement date		2,764,098		73,581		2,837,679

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 5 – PENSION PLAN OBLIGATIONS (continued)

Deferred Inflows of Resources			
Changes of assumptions	-	90,853	90,853
Changes in proportion and differences between contributions and proportionate share of contributions	119,333	-	119,333

(d) Supplemental Retirement Income Plan for Law Enforcement Officers

1. Plan Description

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

2. Funding Policy

Article 12E of G. S. Chapter 143 requires the Town to contribute each month an amount equal to five percent of each officer’s salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. The Town made contributions of \$293,805 for the reporting year.

(e) Supplemental Retirement Income Plan for all Other Employees

All other employees of the Town (excludes Law Enforcement Officers) are members of the Town’s 401(k) plan, a defined contribution pension plan as described above. Participation begins as of date of employment. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings.

The Town contributes each month an amount equal to five percent of eligible employees’ salary. The Town made contributions of \$1,222,766 for the reporting year.

Note 6 – OTHER POST EMPLOYMENT BENEFIT

***Healthcare Benefits***

1. Plan Description

The Town administers a single-employer defined healthcare benefit (HCB) plan to cover retirees of the Town who participate in the North Carolina Local Government Employees’ Retirement System and have met the minimum 15 year service requirement with the Town. Employees who have 15-19 years of service at retirement will receive 50% of the benefits. Employees with 20-24 years of continuous creditable service with the Town will receive 75% of the benefits and those who have 25 or more years of continuous creditable service with the Town at the time of their retirement will receive full benefits. The Town’s retirees can also purchase coverage for their dependents at the Town’s group rates as long as they had dependent coverage at the time of retirement. The Town Council may amend the benefit provisions. A separate report was not issued for the plan.

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 6 – OTHER POST EMPLOYMENT BENEFIT (continued)

<u>Retired Employees' Years of Creditable Service</u>	<u>Coverage Offered</u>
Less than 15 years	Not eligible for coverage
15 – 19 years	50% employee coverage
20 – 24 years	75% employee coverage
25+ years	100% employee coverage

2. Plan Membership

At June 30, 2019, the date of the last actuarial valuation (used in these calculations), membership of the plan consisted of the following:

Retirees and dependents receiving benefits	48
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	445
Total	493

3. Benefits Provided

The HCB Plan provides healthcare benefits for retirees. The Town pays the full cost of post-retirement health insurance for qualified retirees until the earlier of age 65, covered under Medicare coverage, or covered under another individual insurance plan. The Town is insured through private insurers. Post-retirement spouse and dependent coverage is allowed under the plan, provided the monthly cost is paid by the retiree, and is only provided to spouse and dependents covered at the time of the employee's retirement and continues until the earlier of the death of the retiree or the date the retiree reaches age 65. Below are coverages based in creditable services under the Plan. Employees hired on or after July 1, 2020 are not eligible for healthcare benefits.

<u>Retired Employees' Years of Creditable Service</u>	<u>Coverage Offered</u>
Less than 15 years	Not eligible for coverage
15 – 19 years	50% employee coverage
20 – 24 years	75% employee coverage
25+ years	100% employee coverage

4. Contributions

The Town Council established the contribution requirements of plan members, which may be amended by the Council. Per a Town resolution, the Town is required to contribute the projected pay-as-you-go financing requirements, with an additional amount to pre-fund benefits as determined annually by the Council, effective October 21, 2008. For the current year, the Town made total contributions of \$504,835 to the plan. The Fund is accounted for as a trust fund.

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 6 – OTHER POST EMPLOYMENT BENEFIT (continued)

5. Investment Policy

The HCB Plan’s policy in regard to the allocation of invested assets is established and may be amended by the Town Council by a majority vote of its members. It is the policy of the Council to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The HCB Plan’s discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. Investments are values at fair value. The following was the Council’s adopted asset allocation policy as of June 30, 2020:

Asset Class	Target Allocation		Long-Term Expected Real Rate of Return	
	2020	2019	2020	2019
Bond Index Fund	40.0%	40.0%	4.00%	4.00%
Equity Index Fund	60.0%	60.0%	4.00%	4.00%
Total	100.0%	100.0%		

6. Rate of Return

For the year ended June 30, 2020, the annual money weighted rate of return on investments, net of investment expense, was 5.50 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The components of the net OPEB liability of the Town at June 30, 2020 were as follows:

Total OPEB Liability	\$ 41,807,091
Plan fiduciary net position	624,030
Town’s net OPEB Liability	\$ 41,183,061
 Plan fiduciary net position as a Percentage of the total OPEB liability	1.49%

7. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2019 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50 percent
Salary increases	3.50 to 7.75 percent, including inflation and productivity factor
Investment rate of return	4.00 percent, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	7.00 percent decreasing to an ultimate rate of 4.5 percent by 2026

The total OPEB liability was rolled forward to June 30, 2020 utilizing update procedures incorporating the actuarial assumptions.

Mortality rates were based on the RP-2014 Healthy Annuitant base rates projected to the valuation date using MP-2015, projected forward generationally from the valuation date using MP-2015. For general employees, rates are adjusted by 115% (male) and 79% (female) for ages under 78 and by 135% (male) and 116% (female) for age 78 and older. For law enforcement officers, rates are adjusted by 104% for males and 100% for females.

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 6 – OTHER POST EMPLOYMENT BENEFIT (continued)

The actuarial assumptions used in the June 30, 2019 valuation was based on the results of an actuarial experience study for the period 2010-2014.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the major target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, are presented above.

8. Discount Rate

The discount rate used to measure the total OPEB liability June 30, 2020 was 2.21 percent. The projection of cash flows used to determine the discount rate assumed that the Town will contribute \$350,000 annually to the plan.

9. Sensitivity of the Net OPEB liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Town at June 30, 2020, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21 percent) or 1-percentage-point higher (3.21 percent) than the current discount rate:

	1% Decrease (1.21 percent)	Discount Rate (2.21 percent)	1% Increase (3.21 percent)
Net OPEB liability	\$ 51,262,499	\$ 41,183,061	\$ 33,589,707

10. Sensitivity of the Net OPEB liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the Town at June 30, 2020, as well as what the Town's net OPEB liability would be if it were to calculate healthcare cost trend rates that are 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current healthcare cost trend rate:

	1% Decrease (6.00 percent decreasing to 3.5 percent)	Healthcare cost Trend Rate (7.00 Percent decreasing to 4.5 percent)	1% Increase (8.00 Percent decreasing to 5.5 percent)
Net OPEB liability	\$ 32,069,962	\$ 41,183,061	\$ 53,875,267

11. Changes in Net OPEB Liability

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At June 30, 2020 the Town reported a net OPEB liability of \$41,183,061. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019. The total OPEB liability was then rolled forward to the measurement date of June 30, 2020 utilizing update procedures incorporating the actuarial assumptions.

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 6 – OTHER POST EMPLOYMENT BENEFIT (continued)

At June 30, 2020, the components of the net OPEB liability of the City, measured as of June 30, 2020, were as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances at June 30, 2019	\$ 33,954,558	\$ 250,000	\$ 33,704,558
Changes for the Year:			
Service cost	2,129,618	-	2,129,618
Interest	1,185,723	-	1,185,723
Differences between Expected and Actual experience	(1,572,528)	-	(1,572,528)
Changes of assumptions	6,264,555	-	6,264,555
Contributions	-	504,835	(504,835)
Net investment income	-	24,030	(24,030)
Benefit Payments	(154,835)	(154,835)	-
Net Changes	7,852,533	374,030	7,478,503
Balances at June 30, 2020	\$ 41,807,091	\$ 624,030	\$ 41,183,061

12. Changes of Assumptions

Changes of assumptions and other inputs reflect a change in the discount rate from 3.50 percent in 2019 to 2.21 percent in 2020.

For the year ended June 30, 2020, the Town recognized OPEB expense of \$3,731,010. At June 30, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 178,555	\$ 1,406,650
Changes of assumptions	7,603,018	1,976,457
Net difference between projected and actual earnings on plan investments	-	2,708
Total	\$ 7,781,573	\$ 3,385,815

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

Year ended June 30:	
2021	\$ 432,060
2022	432,060
2023	432,601
2024	431,611
2025	433,030
Thereafter	2,233,316

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 6 – OTHER POST EMPLOYMENT BENEFIT (continued)

(g) Other Employment Benefits

The Town has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer State-administered cost sharing plan funded on a one year-term cost basis. 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 his/her 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 Town, the Town does not determine the number of eligible participants. The Town has no liability beyond the payment of monthly contributions. The contributions to the Death Trust 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 Town considers these contributions to be immaterial.

Note 7 – DEFERRED INFLOWS/OUTFLOWS OF RESOURCES

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

LGERS pension		
Contributions to pension plan in the current fiscal year	\$	2,764,098
Differences between expected and actual experience		2,000,078
Changes of assumptions		1,903,805
Net difference between projected and actual earnings		284,915
Changes in proportion and differences between contributions and proportionate share of contributions		55,819
LEO pension		
Benefit payments made and administrative expenses		73,581
Differences between expected and actual experience		413,641
Changes of assumptions		151,718
OPEB		
Differences between expected and actual experience		178,555
Changes of assumptions		7,603,018
Total deferred outflows of resources	\$	<u>15,429,228</u>

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 7 – DEFERRED INFLOWS/OUTFLOWS OF RESOURCES (continued)

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

	Statement of Net Position	Governmental Funds Balance Sheet
Prepaid taxes (General Fund)	\$ 18,812	\$ 18,812
Prepaid recreation fees (General Fund)	184,717	184,717
Prepaid fire contract (General Fund)	12,000	12,000
Taxes receivable (General Fund)	-	105,248
Greenway credits (Recreation Capital Reserve)	77,665	77,665
Changes in proportion and differences between employer contributions and proportionate share of contributions-LGERS	119,333	-
Changes in assumptions-LEO	90,853	-
Differences between expected and actual experience-OPEB	1,406,650	-
Changes of assumptions-OPEB	1,976,457	-
Net differences between projected and actual earnings-OPEB	2,708	-
Total deferred inflows of resources	<u>\$ 3,889,195</u>	<u>\$ 398,442</u>

Note 8 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters. The Town does not carry flood insurance because flood plain maps show insignificant property values within flood plains. In accordance with G.S. 159-29, the Town's employees that have access to \$100 or more at any given time of the Town's funds are performance bonded through a commercial surety bond. The Finance Director is individually bonded for \$100,000. The remaining employees that have access to funds are bonded under a blanket bond for \$100,000. Other risks are mitigated through various means as detailed below.

Workers' Compensation - The Town is a participant in an insurance pool administered by the North Carolina League of Municipalities. This pool is self-sustaining through member premiums and has reinsured through commercial companies for claims in excess of the amounts covered through the pool. The Town retains a portion of the risk through deductibles up to \$25,000.

Property and general liability – The Town maintains commercial insurance with deductibles up to \$10,000. There have been no significant reductions in insurance coverage in the prior year, and settled claims have not exceeded coverage in any of the past three fiscal years.

Health and Dental Claims – The Town self-funds health and dental coverage for all permanent employees. Employees can add dependents to this coverage by paying a portion of the premium. All claims are administered by a third party. BlueCross and BlueShield of North Carolina was the third party administrator through June 30, 2020. Cigna became the third part administrator effective July 1, 2020. As of June 30, 2020, a reserve of \$234,000 for health and dental was calculated for claims incurred but not reported and items reported but not paid. This total liability is expected to be paid within the next fiscal year. Settlements have not exceeded coverages for the past three fiscal years. Changes in the balances of claims liabilities during the past three years are as:

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 8 – RISK MANAGEMENT (continued)

	Health Claims	Dental Claims	Total
Balance-June 30, 2017	\$ 367,508	\$ 37,025	\$ 404,533
Claims reported and changes in estimates for FY 2018	4,673,079	383,155	5,056,234
Claims paid in FY 2018	<u>(4,479,741)</u>	<u>(376,974)</u>	<u>(4,856,715)</u>
Balance-June 30, 2018	560,846	43,206	604,052
Claims reported and changes in estimates for FY 2019	3,018,251	274,868	3,293,119
Claims paid in FY 2019	<u>(3,308,097)</u>	<u>(318,074)</u>	<u>(3,626,171)</u>
Balance-June 30, 2019	271,000	-	271,000
Claims reported and changes in estimates for FY 2020	3,434,130	325,299	3,759,429
Claims paid in FY 2020	<u>(3,471,130)</u>	<u>(325,299)</u>	<u>(3,796,429)</u>
Balance-June 30, 2020	<u>\$ 234,000</u>	<u>\$ -</u>	<u>\$ 234,000</u>

Note 9 – CLAIMS, JUDGEMENTS AND CONTINGENT LIABILITIES

At June 30, 2020, the Town was a defendant to various lawsuits. In the opinion of the Town's management and the Town's attorney, the ultimate effect of these legal matters will not have a material adverse effect on the Town's financial position.

Note 10 – LONG-TERM DEBT

(a) General Obligation Bonds

The Town's general obligation bonds serviced by the governmental funds were issued for the acquisition of parks and recreation facilities and construction of streets and sidewalks. Those general obligation bonds issued to finance the construction of facilities utilized in the operations of the water and sewer systems 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 Town. Principal and interest requirements are appropriated when due.

Bonds payable at June 30, 2020 are comprised of the following individual issues:

\$1,105,000 April 17, 2018 Parks and Recreational Facility refunding bonds due in annual installments of varying amounts from \$100,000 to \$115,000 through June 1, 2028 plus interest at 5.0%.	\$ 895,000
\$23,000,000 April 27, 2018 Public Improvement serial bonds, due in annual installments of varying amounts from \$540,000 to \$1,905,000 through June 1, 2038 interest at varying rates from 3.0-5.0%.	21,850,000
\$1,800,000 June 4, 2020 Parks and Recreation Series 2020A serial bonds, due in annual installments of \$900,000 through June 1, 2022, interest at 5.0%.	1,800,000
\$28,000,000 June 4, 2020 Parks and Recreation Series 2020B serial bonds, due in annual installments of varying amounts from \$590,000 to \$1,490,000 through June 1, 2040, interest at varying rates from 2.0-5.0%.	28,000,000
\$2,445,000 June 4, 2020 Parks and Recreation refunding bonds, due in annual installments of varying amounts from \$260,000 to \$275,000 through June 1, 2029, interest at 5.0%.	2,445,000

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 10 – LONG-TERM DEBT (continued)

\$4,670,000 March 26, 2013 Parks and Recreation refunding bonds, due in annual installments of varying amounts from \$15,000 to \$515,000 through February 1, 2025, interest at varying rates from 2.0-3.0%.	2,470,000
\$6,000,000 March 26, 2013 Parks and Recreational serial bonds, due in annual installments of \$300,000 through February 1, 2033, interest at varying rates from 2.0-5.0%.	3,900,000
 <b><i>Serviced by the Water and Sewer Fund:</i></b>	
\$35,000,000 June 19, 2012 Wastewater System, Series 2012 due in annual installments of varying amounts from \$685,000 to \$2,740,000 through June 1, 2037, interest at varying rates from 2.0-5.0%.	29,640,000
	\$ 91,000,000

At June 30, 2020 the Town of Apex had a legal debt margin of \$551,545,487.

Annual debt service requirements to maturity for general obligation bonds at June 30, 2020 are as follows:

Year Ending June 30:	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2021	\$ 3,205,000	\$ 2,202,403	\$ 980,000	\$ 1,061,125
2022	3,215,000	2,068,257	1,045,000	1,041,525
2023	3,215,000	1,923,507	1,115,000	1,020,625
2024	3,225,000	1,786,607	1,185,000	976,025
2025	3,225,000	1,649,057	1,260,000	916,775
2026-2030	15,390,000	6,134,834	7,760,000	3,835,825
2031-2035	16,720,000	3,087,054	10,815,000	2,319,675
2036-2040	13,165,000	842,171	5,480,000	284,275
Total	\$ 61,360,000	\$ 19,693,890	\$ 29,640,000	\$ 11,455,850

(b) Installment Notes

The Town's installment notes outstanding at June 30, 2020 are as follows

***Serviced by the General Fund:***

\$6,000,000 installment obligation with BB&T due in semi-annual installments of \$209,897 principal plus interest at 2.51% through 2032 secured by land.	\$ 4,965,517
\$6,424,000 installment obligation to the Bank of North Carolina due in annual installments of varying amounts from \$410,800 to \$661,219 through 2028 plus interest of 2.7% secured by land and buildings.	3,462,000
\$4,500,000 installment obligation to the Bank of North Carolina due in annual installments of varying amounts from \$125,000 to \$340,000 through 2031 secured by land and buildings.	3,740,000

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 10 – LONG-TERM DEBT (continued)

***Serviced by the Water and Sewer Fund:***

\$1,159,825 installment obligation to the Town of Cary for the Regional Wastewater Treatment Plant due in annual installments of \$57,991 through 2027 plus interest of 2.205%, secured by land. 403,872

\$8,045,000 installment obligation to the Bank of America for Water and Sewer Improvements due in annual installments of varying amounts from \$410,800 to \$661,219 through 2028 plus interest of 2.7%, secured by water improvements 4,957,000

\$355,059 installment obligation to the Town of Cary for the Regional Wastewater Treatment Plant due in annual installments of \$17,753 through 2031 plus interest of 2.205%, secured by land. 195,283

\$ 17,723,672

Annual debt service requirements to maturity for installment notes at June 30, 2020 are as follows:

Year Ending June 30:	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2021	\$ 1,217,793	\$ 317,240	\$ 638,459	\$ 147,051
2022	1,208,793	285,078	654,459	130,187
2023	1,200,793	253,158	669,458	112,890
2024	1,190,793	221,455	685,378	95,188
2025	1,182,793	190,022	702,458	77,054
2026-2030	4,998,965	497,513	2,188,185	119,727
2031-2032	1,167,587	35,214	17,758	391
Total	<u>\$ 12,167,517</u>	<u>\$ 1,799,680</u>	<u>\$ 5,556,155</u>	<u>\$ 682,488</u>

(c) Revolving Fund Loans

The Town has promissory notes issued by the North Carolina Department of Environment, Health, and Natural Resources for the construction of a regional wastewater treatment plant and for water system improvements. Future revenues of the sanitary sewer system and the water system collateralize the notes. These debts are recorded as long-term debt in the water and sewer fund with principal and interest requirements appropriated when due.

The Town's promissory notes outstanding at June 30, 2020 are as follows:

Serviced by the Water and Sewer Fund:  
\$17,500,000 promissory note issued for the construction of a regional wastewater treatment plant. Future revenues of the sanitary sewer system collateralize the note due in annual installments of \$875,000 beginning May 1, 2015 through May 1, 2034 plus interest at 2.22% \$ 12,250,000

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 10 – LONG-TERM DEBT (continued)

Annual debt service requirements to maturity for promissory notes at June 30, 2020 are as follow:

Year Ending June 30:	Principal	Interest
2021	\$ 875,000	\$ 271,950
2022	875,000	252,525
2023	875,000	233,100
2024	875,000	213,675
2025	875,000	194,250
2026-2030	4,375,000	679,875
2031-2034	3,500,000	194,250
Total	\$ 12,250,000	\$ 2,039,625

(d) Revenue Bond

\$7,300,000 Electric Revenue Bond, Series 2009, issued for electrical system improvements, due in annual installments of varying amounts from \$375,000 to \$617,000 through 2024, interest at 3.62% \$ 2,342,000

\$10,000,000 Electric Revenue Bond, Series 2019, issued for electrical system improvements, due in annual installments of \$419,000 to \$598,000 through 2039, interest at 2.0% 10,000,000  
\$ 12,342,000

The Town has been in compliance with the covenants as to rates, fees, rentals and charges in Section 704 of the Bond Order, authorizing the issuance of the Electric Revenue Bonds, Series 2009, since its adoption in 2009. Section 704(a) of the Bond Order requires that income available for debt service plus 15% of Electric Fund Unrestricted Net position as of the last day of the prior fiscal year will not be less than 120% of the long term debt service requirement for the current fiscal year.

The debt service requirement coverage ratio calculation for the year ended June 30, 2020 is as follows:

Current revenues	\$ 43,021,298
Current expenses	36,525,596
Subtotal	6,495,702
15% of Unrestricted Net Position, 6-30-19	1,671,585
Income available for debt service	\$ 8,167,287
Debt service, principal and interest Paid (Revenue Bond only)	\$ 639,077
Debt Service Coverage Ratio	1,278%

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 10 – LONG-TERM DEBT (continued)

Per rate covenants, current expenses do not include depreciation expense of \$2,760,235, debt service interest of \$204,129 and the increase in other post-employment benefits of \$214,566.

The Town has pledged future electric customer revenues, net of specified operating expenses, to repay \$7,300,000 in electric system revenue bonds issued in May 2009. Proceeds from the bonds provided financing for electrical system improvements. The bonds are payable solely from electric customer net revenues and are payable through 2024. The total principal and interest remaining to be paid on the bonds is \$2,557,678. Principal and interest paid for the current year and the income available for debt service was \$639,077 and \$8,054,484 respectively.

The Town has pledged future electric customer revenues, net of specified operating expenses, to repay \$10,000,000 in electric system revenue bonds issued in September 2019. Proceeds from the bonds provided financing for electrical system improvements. The bonds are payable solely from electric customer net revenues and are payable through fiscal year 2040. The total principal and interest remaining to be paid on the bonds is \$12,200,584. There were no current year payments on this bond.

Annual debt service requirements to maturity for the revenue bonds at June 30, 2020 is as follows:

Year Ending June 30:	Principal	Interest
2021	\$ 991,000	\$ 259,224
2022	994,000	255,969
2023	1,022,000	226,774
2024	1,053,000	196,695
2025	444,000	165,640
2026-2030	2,359,000	691,340
2031-2035	2,604,000	445,840
2036-2040	2,875,000	174,780
Total	\$ 12,342,000	\$ 2,416,262

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 10 – LONG-TERM DEBT (continued)

(f) Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2020, was as follows:

	Beginning		Ending		Amounts Due
	Balance	Increases	Decreases	Balance	Within One Year
<b>Governmental activities:</b>					
General obligation bonds	\$ 33,815,000	\$ 32,245,000	4,700,000	\$ 61,360,000	\$ 3,205,000
Plus deferred premium	1,324,879	4,539,711	128,611	5,735,979	416,050
Total bonds payable	35,139,879	36,784,711	4,828,611	67,095,979	3,621,050
Installment notes	13,393,310	-	1,225,793	12,167,517	1,217,793
Compensated absences	1,565,091	1,083,161	588,049	2,060,203	774,077
Net pension liability (LGERS)	7,699,715	3,415,547	2,165,697	8,949,565	-
Net pension liability (LEO)	2,560,742	513,408	136,703	2,937,447	-
Net OPEB liability	28,351,955	6,671,446	392,695	34,630,706	-
Governmental activity long-term liabilities	<u>\$ 88,710,692</u>	<u>\$ 48,468,273</u>	<u>\$ 9,337,548</u>	<u>\$ 127,841,417</u>	<u>\$ 5,612,920</u>
<b>Business-type activities:</b>					
General obligation bonds	\$ 30,555,000	\$ -	\$ 915,000	\$ 29,640,000	\$ 980,000
Plus deferred premium	1,333,160	-	74,236	1,258,924	74,236
Total bonds payable	31,888,160	-	989,236	30,898,924	1,054,236
Installment notes	19,305,694	-	1,499,539	17,806,155	1,513,459
Revenue bond	2,877,000	10,000,000	535,000	12,342,000	991,000
Compensated absences	423,802	211,022	286,893	347,931	230,140
Net pension liability (LGERS)	2,361,861	1,010,011	640,465	2,731,407	-
Net OPEB liability	5,352,603	1,311,891	112,139	6,552,355	-
Business-type activity long-term liabilities	<u>\$ 62,209,120</u>	<u>\$ 12,532,924</u>	<u>\$ 4,063,272</u>	<u>\$ 70,678,772</u>	<u>\$ 3,788,835</u>

Compensated absences, other post-employment benefits and net pension obligation for governmental activities typically have been liquidated in the General Fund.

Note 11 – NET INVESTMENT IN CAPITAL ASSETS

	Governmental	Business-type
Capital assets	\$ 525,557,020	\$ 293,099,744
Less: Long-term debt net of unspent debt proceeds	(33,118,153)	(54,330,748)
Net investment in capital assets	<u>\$ 492,438,867</u>	<u>\$ 238,768,996</u>

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 12 – 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	\$	42,263,315
Less:		
Inventories		(30,586)
Prepaid items		(254,121)
Stabilization by State Statute		(8,824,846)
Restricted for Public Safety		(305,874)
Restricted for Construction Management Inspections		(708,580)
Committed for LEO pension obligation		(864,756)
Assigned for subsequent year's expenditures		(2,370,000)
Remaining fund balance	\$	28,904,552

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end.

Encumbrances – General Fund	\$	3,289,384
Encumbrances – Electric Fund		395,629
Encumbrances – Water and Sewer Fund		243,289

Note 13 – INTERFUND BALANCES AND ACTIVITY

A summary of interfund transfers follows:

From Fund	To Fund	Amount	Purpose
General Fund	Street Improvements Project Fund	\$ 1,177,200	Fund improvements
General Fund	General Capital Projects Fund	1,970,000	Fund improvements
Recreation Capital Project Fund-Capital Reserve	General Fund	1,508,300	Fund improvements
Recreation Capital Project Fund-Capital Reserve	Recreation Capital Projects Fund	2,288,819	Fund improvements
Transportation Capital Project Fund-Capital Reserve	Street Improvements Project Fund	755,000	Fund improvements
Cemetery Fund	General Capital Projects Fund	600,000	Fund improvements
Water/Sewer Capital Reserve Fund	Water/Sewer Fund	80,000	Fund improvements
Water/Sewer Capital Reserve Fund	Water/Sewer Project Fund	950,000	Fund improvements
Water/Sewer HB463 Capital Reserve Fund	Water/Sewer Fund	1,865,500	Fund improvements
Water/Sewer HB 463 Capital Reserve Fund	Water/Sewer Project Fund	5,715,000	Fund improvements
	Transportation Capital Project Fund-		
Street Improvement Project Fund	Capital Reserve	65,000	Close capital project
Electric Fund	Electric Substation Capital Project	2,255,820	Fund improvements
Water/Sewer Fund	Water/Sewer Project Fund	995,000	Fund improvements

Note 14 – JOINTLY GOVERNED ORGANIZATION

The Town is a member of the North Carolina Eastern Municipal Power Agency (the "Agency"). The Agency was formed to enable municipalities that own electric distribution systems to finance, construct, own, operate, and maintain generation and transmission facilities through the Agency. The Town receives power from the Agency and is contractually allocated a .7056% interest in the Agency, with the balance being shared by the thirty-two (32) other local governments. Each participating government appoints one commissioner to the Agency's governing board. The Town is obligated to purchase all of its power supply requirements from the

TOWN OF APEX, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

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Note 14 – JOINTLY GOVERNED ORGANIZATION (continued)

Agency. Except for the power sales purchase requirements, no local government participant has any obligation, entitlement, or residual interest. The Town's gross purchases of power for the fiscal year ended June 30, 2020 were \$27,658,546.

On July 31, 2015, the Agency completed the sale of most of its electricity generating assets to Duke Energy. These proceeds were used to defease the Agency's outstanding revenue bonds. The Agency entered into contractual arrangements with its member cities and Duke Energy. Under these arrangements, the Agency will supply wholesale power to its members and will purchase this power from Duke Energy. In addition to payments made for electric power, Agency members will make payments for their share of the debt service on the Agency's new revenue bonds.

Note 15 – SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

Federal and State Assisted Programs

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

Note 16 – JOINTLY OWNED FACILITIES

The Towns of Apex and Cary jointly own and operate a water treatment plant. An advisory committee, consisting of the Mayors of Apex and Cary and the Town Managers of Apex and Cary, advise the Operating Agency on all policy matters and select the independent consultants for the project. The Town of Cary is the Operating Agency and operates the plant, hires employees, accounts for revenues and expenditures, and provides all administrative and executive management of the plant. The water treatment plant is not a separate legal entity and does not prepare separate financial statements. The Town's share of capital costs of the plant and its operating expenses are included in the Town of Apex's reporting entity.

All costs associated with the construction and improvements to the plant are allocated to each party based on its share of the water treatment capacity of the plant. The Towns of Apex and Cary have a 23% and 77% share of the facility's capacity, respectively. Both parties make payments sufficient to amortize their share of the capital costs regardless of the amount of water actually used. Both parties meet their share of all other costs in proportion to their actual use of water from the facility.

The Towns of Apex and Cary are jointly own and operate a wastewater treatment plant. The Town of Apex owns approximately from 29-31% considering the entire plant including outfall facilities. The plant has a total budgeted cost of \$300,000,000 and the Town of Apex's portion of this is \$83,369,781. Through June 30, 2020, the Town has capitalized the wastewater treatment plant and related land at a total cost of \$82,264,122 and has construction in progress on outfall facilities of \$420,108.

Note 17 – SUBSEQUENT EVENTS

Subsequent to the year end the Town issued \$29.4 million of taxable general obligation bonds for the purpose of advance refunding \$27.6 million of the \$29.6 million outstanding Series 2012 Wastewater Systems General Obligation Bonds. The advance refunding resulted in a net present value savings of \$3.5 million. Subsequent to year end, but prior to the issuance of these financial statements, a lawsuit was filed against the Town challenging the collection and expenditure of fees collected for acquisition and development of recreation areas. The Town is contesting this lawsuit but because the outcome cannot yet be determined an estimate of any potential loss cannot be made.



## **REQUIRED SUPPLEMENTARY INFORMATION**

**TOWN OF APEX, NORTH CAROLINA**  
**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**For the year ended June 30, 2020\***

<b>TOTAL OPEB LIABILITY</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Service cost	\$ 2,129,618	\$ 1,833,733	\$ 2,225,212
Interest	1,185,723	1,111,292	854,654
Differences between expected and actual experience	(1,572,528)	143,860	110,047
Changes of assumptions	6,264,555	2,521,287	(3,373,245)
Benefit payments	<u>(154,835)</u>	<u>(442,864)</u>	<u>(338,332)</u>
Net change in total OPEB liability	7,852,533	5,167,308	(521,664)
Total OPEB liability - beginning	<u>33,954,558</u>	<u>28,787,250</u>	<u>28,561,721</u>
Total OPEB liability - ending	<u><u>\$41,807,091</u></u>	<u><u>\$33,954,558</u></u>	<u><u>\$28,040,057</u></u>
 <b>PLAN FIDUCIARY NET POSITION</b>			
Contributions - employer	\$ 504,835	\$ 692,864	\$ -
Net investment income	24,030	-	-
Benefit payments	<u>(154,835)</u>	<u>(442,864)</u>	<u>-</u>
Net change in plan fiduciary net position	374,030	250,000	-
Plan fiduciary net position - beginning	<u>250,000</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position - ending	<u><u>\$ 624,030</u></u>	<u><u>\$ 250,000</u></u>	<u><u>\$ -</u></u>
Town's Net OPEB liability - ending	<u><u>\$41,183,061</u></u>	<u><u>\$33,704,558</u></u>	<u><u>\$28,040,057</u></u>
<b>Plan fiduciary net position as a percentage of total OPEB liability</b>	1.49%	0.74%	0.00%

**Notes to Schedule**

\*The difference of \$747,193 between the 2018 ending TOL and the 2019 beginning TOL is due to the change accounting principle that was adopted for measurement period ending June 30, 2019.

\* Plan measurement date is the reporting date.

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:

Fiscal Year	Rate
2020	2.21%
2019	3.50%
2018	3.56%

Note that this schedule will not present 10 years' worth of information until fiscal year 2027.



**TOWN OF APEX, NORTH CAROLINA**  
**SCHEDULE OF INVESTMENT RETURNS - HEALTHCARE BENEFIT PLAN**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2020**

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	<u>2020</u>	<u>2019</u>
Annual money-weighted rate of return, net of investment expense	5.50%	0.00%

Note to the schedule: The Town initially established the trust as of June 30, 2019 and money was initially invested on that date.

**TOWN OF APEX, NORTH CAROLINA  
TOWN OF APEX'S CONTRIBUTIONS  
REQUIRED SUPPLEMENTARY INFORMATION  
LAST SEVEN FISCAL YEARS**

**LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM**

	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 2,764,098	\$ 2,136,423	\$ 1,984,665	\$ 1,771,996	\$ 1,502,800	\$ 1,468,206	\$ 1,380,271
Contributions in relation to the contractually required contributions	2,764,098	2,136,423	1,984,665	1,771,996	1,502,800	1,468,206	1,380,271
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town of Apex's covered payroll	\$30,283,515	\$26,938,688	\$25,826,440	\$23,809,047	\$22,065,857	\$20,582,712	\$19,417,804
Contributions as a percentage of covered-employee payroll	9.13%	7.93%	7.68%	7.44%	6.81%	7.13%	7.11%

Note that this schedule will not present 10 years' worth of information until fiscal year 2023.

**TOWN OF APEX, NORTH CAROLINA**  
**TOWN OF APEX'S PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**LAST SEVEN FISCAL YEARS\***

**LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM**

	2020	2019	2018	2017	2016	2015	2014
Apex's proportion of the net pension liability (asset) (%)	0.42773%	0.42412%	0.40137%	0.39248%	0.39693%	0.38363%	0.37310%
Apex's proportion of the net pension liability (asset) (\$)	\$11,680,973	\$10,061,577	\$ 6,131,822	\$ 8,329,740	\$ 1,781,398	\$ (2,262,443)	\$ 4,497,288
Apex's covered payroll	\$26,938,688	\$25,826,440	\$ 23,809,047	\$ 22,065,857	\$ 20,582,712	\$ 19,417,804	\$ 18,242,662
Apex's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	43.36%	38.96%	25.75%	37.75%	8.65%	-11.65%	24.65%
Plan fiduciary net position as a percentage of the total pension liability	91.63%	94.18%	91.47%	98.09%	99.07%	102.64%	94.35%

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

Note that this schedule will not present 10 years' worth of information until fiscal year 2023.

**TOWN OF APEX, NORTH CAROLINA**  
**SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2020**

**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE**

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Beginning balance	\$ 2,560,742	\$ 2,248,394	\$ 1,929,620	\$ 1,825,900
Service cost	128,648	138,637	111,974	114,548
Interest on total pension liability	90,723	69,277	73,484	64,730
Difference between expected and actual experience	206,659	320,220	38,475	-
Changes of assumptions or other inputs	87,378	(103,589)	146,595	(50,116)
Benefit payments	(136,703)	(112,197)	(51,754)	(25,442)
Ending balance of the total pension liability	<u>\$ 2,937,447</u>	<u>\$ 2,560,742</u>	<u>\$ 2,248,394</u>	<u>\$ 1,929,620</u>

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

Note that this schedule will not present 10 years' worth of information until fiscal year 2026.

**TOWN OF APEX, NORTH CAROLINA  
SCHEDULE OF TOTAL PENSION LIABILITY  
AS A PERCENTAGE OF COVERED PAYROLL  
REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2020**

**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE**

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	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Total pension liability	\$ 2,937,447	\$ 2,560,742	\$ 2,248,394	\$ 1,929,620
Covered payroll	5,077,778	5,069,978	4,760,797	4,527,103
Total pension liability as a percentage of covered payroll	57.85%	50.51%	47.23%	42.62%

Notes to the schedules

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

Note that this schedule will not present 10 years' worth of information until fiscal year 2026.

**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**



**TOWN OF APEX, NORTH CAROLINA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2020**  
With comparative actual amounts for the year ended June 30, 2019

**Schedule 1**

	<b>2020</b>		Variance Positive (Negative)	<b>2019</b>
	Budget	Actual		Actual
<b>REVENUES</b>				
Ad valorem taxes				
Current year	\$ 32,420,000	\$ 32,603,343	\$ 183,343	\$ 29,465,485
Prior years	20,000	16,793	(3,207)	24,554
Penalties and interest	30,000	38,802	8,802	35,195
Total	<u>32,470,000</u>	<u>32,658,938</u>	<u>188,938</u>	<u>29,525,234</u>
Other taxes and licenses				
Local option sales tax	11,680,000	12,174,795	494,795	11,038,256
Rental vehicles tax	78,000	80,713	2,713	82,208
Total	<u>11,758,000</u>	<u>12,255,508</u>	<u>497,508</u>	<u>11,120,464</u>
Unrestricted intergovernmental revenues				
Utility franchise tax	2,890,000	2,814,107	(75,893)	2,765,366
Beer and wine tax	210,000	227,565	17,565	209,435
Solid waste rebates - Wake County	210,000	363,501	153,501	283,669
Payments in lieu of taxes	2,300	53,550	51,250	2,313
Total	<u>3,312,300</u>	<u>3,458,723</u>	<u>146,423</u>	<u>3,260,783</u>
Restricted intergovernmental				
Powell Bill	1,299,800	1,353,791	53,991	1,257,391
Fire district allocation - Wake County	1,242,200	1,241,685	(515)	1,276,536
Federal grants	-	207,021	207,021	131,040
State grants	-	-	-	55,172
Wake County grant	104,200	123,034	18,834	145,183
Miscellaneous	3,500	3,123	(377)	-
Total	<u>2,649,700</u>	<u>2,928,654</u>	<u>278,954</u>	<u>2,865,322</u>
Permits and fees				
Building permits and inspection fees	3,783,800	3,804,230	20,430	4,635,741
Subdivision approval fee	200,000	184,377	(15,623)	237,665
Application fees	155,000	201,593	46,593	194,745
Vendor permits	12,500	11,813	(687)	11,875
Fines and penalties	-	2,800	2,800	-
Total	<u>4,151,300</u>	<u>4,204,813</u>	<u>53,513</u>	<u>5,080,026</u>
Sales and services				
Refuse collection fees	3,771,900	3,871,645	99,745	3,473,568
Emergency services	12,000	12,000	-	-
Recreation fees	928,500	561,311	(367,189)	1,089,168
Recycling revenue	900,000	973,881	73,881	719,476
Planning documents	100	60	(40)	160
Total	<u>5,612,500</u>	<u>5,418,897</u>	<u>(193,603)</u>	<u>5,282,372</u>
Investment earnings	<u>751,100</u>	<u>661,097</u>	<u>(90,003)</u>	<u>815,231</u>

**TOWN OF APEX, NORTH CAROLINA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2020**  
With comparative actual amounts for the year ended June 30, 2019

**Schedule 1**

	<b>2020</b>		Variance Positive (Negative)	<b>2019</b>
	Budget	Actual		Actual
Miscellaneous				
ABC revenue	\$ 240,000	\$ 310,748	\$ 70,748	\$ 276,611
Sale of fixed assets	50,000	30,061	(19,939)	114,258
Miscellaneous	65,000	164,212	99,212	68,100
Donations	8,500	9,601	1,101	12,216
Insurance Refund	-	3,736	3,736	103,998
Promotional activities	-	19,394	19,394	-
Court costs and officer fees	13,000	13,242	242	16,854
Total	<u>376,500</u>	<u>550,994</u>	<u>174,494</u>	<u>592,037</u>
 Total revenues	 <u>61,081,400</u>	 <u>62,137,624</u>	 <u>1,056,224</u>	 <u>58,541,469</u>
<b>EXPENDITURES</b>				
General government				
Governing body				
Personnel services	-	58,712	-	57,501
Operations	-	237,996	-	89,640
Total	<u>312,300</u>	<u>296,708</u>	<u>15,592</u>	<u>147,141</u>
Administration				
Personnel services	-	3,347,603	-	2,900,817
Operations	-	2,376,734	-	1,470,946
Capital outlay	-	235,108	-	125,927
Total	<u>7,289,526</u>	<u>5,959,445</u>	<u>1,330,081</u>	<u>4,497,690</u>
Finance				
Personnel services	-	380,468	-	370,539
Operations	-	386,819	-	371,714
Total	<u>869,100</u>	<u>767,287</u>	<u>101,813</u>	<u>742,253</u>
Facility Services				
Personnel services	-	312,378	-	230,246
Operations	-	780,815	-	714,829
Capital outlay	-	682,129	-	505,169
Total	<u>2,437,961</u>	<u>1,775,322</u>	<u>662,639</u>	<u>1,450,244</u>
Planning				
Personnel services	-	1,743,135	-	1,651,398
Operations	-	286,485	-	362,499
Capital Outlay	-	-	-	31,540
Total	<u>2,309,102</u>	<u>2,029,620</u>	<u>279,482</u>	<u>2,045,437</u>

**TOWN OF APEX, NORTH CAROLINA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2020**

With comparative actual amounts for the year ended June 30, 2019

**Schedule 1**

	<b>2020</b>		Variance Positive (Negative)	<b>2019</b>
	Budget	Actual		Actual
<b>Construction Management</b>				
Personnel services	\$ -	\$ 2,095,803	\$ -	\$ 1,919,886
Operations	-	214,485	-	165,474
Capital outlay	-	402,249	-	138,136
Total	<u>3,146,470</u>	<u>2,712,537</u>	<u>433,933</u>	<u>2,223,496</u>
<b>Special Appropriations</b>				
Wake County Programs	-	12,300	-	31,900
Chamber of Commerce	-	41,695	-	1,991
Human Services	-	54,025	-	-
Downtown Merchants	-	22,649	-	32,950
Total	<u>170,500</u>	<u>130,669</u>	<u>39,831</u>	<u>66,841</u>
Total general government	<u>16,534,959</u>	<u>13,671,588</u>	<u>2,863,371</u>	<u>11,173,102</u>
<b>Public safety</b>				
<b>Police</b>				
Personnel services	-	9,262,456	-	7,763,230
Operations	-	1,679,168	-	1,823,540
Capital outlay	-	622,037	-	1,677,874
Total	<u>13,147,203</u>	<u>11,563,661</u>	<u>1,583,542</u>	<u>11,264,644</u>
<b>Public Safety Communications</b>				
Personnel services	-	875,985	-	850,244
Operations	-	252,291	-	130,314
Capital outlay	-	-	-	120,885
Total	<u>1,341,222</u>	<u>1,128,276</u>	<u>212,946</u>	<u>1,101,443</u>
<b>Fire and Rescue</b>				
Personnel services	-	8,238,517	-	6,918,989
Operations	-	1,068,508	-	935,073
Capital outlay	-	122,120	-	1,171,962
Total	<u>10,285,123</u>	<u>9,429,145</u>	<u>855,978</u>	<u>9,026,024</u>
Total public safety	<u>24,773,548</u>	<u>22,121,082</u>	<u>2,652,466</u>	<u>21,392,111</u>
<b>Public Works</b>				
<b>Public Works &amp; Transportation</b>				
Personnel services	-	897,456	-	855,278
Operations	-	226,588	-	244,102
Capital outlay	-	-	-	18,201
Total	<u>1,352,715</u>	<u>1,124,044</u>	<u>228,671</u>	<u>1,117,581</u>

**TOWN OF APEX, NORTH CAROLINA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2020**  
With comparative actual amounts for the year ended June 30, 2019

**Schedule 1**

	<b>2020</b>		Variance Positive (Negative)	<b>2019</b>
	Budget	Actual		Actual
Utility Engineering & Water Resources				
Personnel services	\$ -	\$ 1,331,288	\$ -	\$ 1,234,906
Operations	-	189,443	-	137,603
Capital Outlay	-	90,120	-	87,962
Total	<u>2,206,703</u>	<u>1,610,851</u>	<u>595,852</u>	<u>1,460,471</u>
Streets				
Personnel services	-	1,120,088	-	1,067,681
Operations	-	2,209,632	-	1,915,458
Capital outlay	-	1,192,489	-	429,379
Total	<u>6,323,184</u>	<u>4,522,209</u>	<u>1,800,975</u>	<u>3,412,518</u>
Fleet Services				
Personnel services	-	330,982	-	317,742
Operations	-	117,899	-	118,277
Capital outlay	-	14,335	-	8,141
Total	<u>504,059</u>	<u>463,216</u>	<u>40,843</u>	<u>444,160</u>
Cemetery				
Operations	<u>73,500</u>	<u>44,249</u>	<u>29,251</u>	<u>344</u>
Total public works	<u>10,460,161</u>	<u>7,764,569</u>	<u>2,695,592</u>	<u>6,435,074</u>
Environmental Protection				
Sanitation				
Personnel services	-	1,094,279	-	937,942
Operations	-	3,381,827	-	2,959,805
Capital outlay	-	373,278	-	187,521
Total environmental protection	<u>5,001,887</u>	<u>4,849,384</u>	<u>152,503</u>	<u>4,085,268</u>
Cultural and Recreational				
Personnel services	-	2,940,620	-	2,632,814
Operations	-	1,960,263	-	1,751,175
Capital outlay	-	250,317	-	1,131,167
Total cultural and recreation	<u>6,011,584</u>	<u>5,151,200</u>	<u>860,384</u>	<u>5,515,156</u>
Debt service				
Principal	-	5,925,793	-	2,903,793
Interest	-	1,512,818	-	1,666,072
Bond issuance cost	-	28,569	-	-
Total debt service	<u>7,467,325</u>	<u>7,467,180</u>	<u>145</u>	<u>4,569,865</u>
Total expenditures	<u>70,249,464</u>	<u>61,025,003</u>	<u>9,224,461</u>	<u>53,170,576</u>
Revenues over (under) expenditures	<u>(9,168,064)</u>	<u>1,112,621</u>	<u>10,280,685</u>	<u>5,370,893</u>

**TOWN OF APEX, NORTH CAROLINA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2020**  
With comparative actual amounts for the year ended June 30, 2019

**Schedule 1**

	<b>2020</b>		Variance Positive (Negative)	<b>2019</b>
	Budget	Actual		Actual
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers out				
General Capital Project	\$ (1,970,000)	\$ (1,970,000)	-	\$ (1,969,500)
Street Project	(1,177,200)	(1,177,200)	-	(174,400)
Operating transfers in				
Recreation Project Fund	200,000	-	(200,000)	300,000
Recreation Reserve Fund	1,508,300	1,508,300	-	1,872,408
Transportation Reserve Fund	-	-	-	293,574
Bond issuance	2,445,000	2,445,000	-	-
Bond premium	509,825	509,826	1	-
Contingency	(150,000)	-	150,000	-
Fund balance appropriated	7,802,139	-	(7,802,139)	-
Total other financing sources (uses)	<u>9,168,064</u>	<u>1,315,926</u>	<u>(7,852,138)</u>	<u>322,082</u>
<b>SPECIAL ITEM</b>				
Legal settlement	-	-	-	(698,574)
Net change in fund balance	<u>\$ -</u>	<u>2,428,547</u>	<u>\$ 2,428,547</u>	<u>4,994,401</u>
FUND BALANCE - Beginning of Year		<u>39,724,792</u>		<u>34,730,391</u>
FUND BALANCE - End of Year		<u>\$ 42,153,339</u>		<u>\$ 39,724,792</u>

**TOWN OF APEX, NORTH CAROLINA**  
**FIRE CAPITAL RESERVE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the year ended June 30, 2020**

With comparative actual amounts for the year ended June 30, 2019

**Schedule 2**

	2020		Variance Positive (Negative)	2019
	Budget	Actual		Actual
<b>REVENUES</b>				
Investment earnings	\$ 1,000	\$ 1,616	\$ 616	\$ 2,040
<b>EXPENDITURES</b>				
Reserved for future expenditures	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	1,616	<u>\$ 1,616</u>	2,040
FUND BALANCE - Beginning of year		<u>108,360</u>		<u>106,320</u>
FUND BALANCE - End of year		<u>\$ 109,976</u>		<u>\$ 108,360</u>

**TOWN OF APEX, NORTH CAROLINA**  
**CAPITAL PROJECTS FUND**  
**RECREATION FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL**  
**From inception to June 30, 2020**

**Schedule 3**

	Project Author - ization	Actual		Total to Date
		Prior Year	Current Year	
<b>REVENUES</b>				
Investment earnings	\$ 837,476	\$ 579,544	\$ 340,195	\$ 919,739
Donations	300,000	40,000	-	40,000
Intergovernmental	2,050,000	398,964	151,036	550,000
Miscellaneous	6,200	6,287	-	6,287
Sub-total revenues	3,193,676	1,024,795	491,231	1,516,026
Less closed projects	221,976	221,976	-	221,976
Total revenues	2,971,700	802,819	491,231	1,294,050
<b>EXPENDITURES</b>				
Capital outlay-improvements	63,887,118	2,437,005	5,456,251	7,893,256
Less closed projects	625,117	625,116	-	625,116
Total expenditures	63,262,001	1,811,889	5,456,251	7,268,140
Revenues under expenditures	(60,290,301)	(1,009,070)	(4,965,020)	(5,974,090)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in (out)				
Recreation reserve	10,234,793	4,624,793	2,288,819	6,913,612
General fund	400,000	400,000	-	400,000
General fund	(494,329)	(494,328)	-	(494,328)
Bonds issued	49,800,000	20,000,000	29,800,000	49,800,000
Bond premium	1,046,438	752,978	4,029,885	4,782,863
Bond issuance costs	(293,460)	-	(274,971)	(274,971)
Sub-total other financing sources (uses)	60,693,442	25,283,443	35,843,733	61,127,176
Less closed projects	403,141	403,140	-	403,140
Total other financing sources (uses)	60,290,301	24,880,303	35,843,733	60,724,036
Net change in fund balance	\$ -	\$ 23,871,233	\$ 30,878,713	\$ 54,749,946



# NONMAJOR GOVERNMENTAL FUNDS

## **Special Revenue Funds**

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Perry Library Fund - used to account for funds restricted for improvement and maintenance of Eva Perry Library building.

## **Capital Projects Funds**

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary and trust funds.

Street Improvements Projects Fund - used to account for construction and improvements to streets and sidewalks.

Recreation Reserve - used to account for development fees restricted for construction and improvement of parks and recreation facilities.

Transportation Reserve - used to account for development fees restricted for construction and improvement of streets.

General Capital Projects Fund - used to account for construction and improvements to facilities used in the Town's governmental activities.

## **Permanent Fund**

Permanent funds are used to report resources that are restricted to the extent that only earnings, not principal, may be used for purposes that support the Town's programs.

Cemetery Fund - used to account for money received from sales of plots and related interest income. Only the interest portion of the fund can be used to maintain the cemetery.

**TOWN OF APEX, NORTH CAROLINA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2020**

**Statement 4**

	<u>Special Revenue</u>	<u>Capital Projects</u>	
	<u>Perry Library</u>	<u>Street Improvements Project</u>	<u>Recreation Reserve</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 121,460	\$ 3,013,795	\$ 3,219,840
Restricted cash	-	582,484	-
Due from other governments	-	318,757	-
Wake County taxes receivable	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 121,460</u>	<u>\$ 3,915,036</u>	<u>\$ 3,219,840</u>
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ 189,795	\$ -
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Greenway Credits	-	-	77,665
<b>FUND BALANCES</b>			
Restricted	-	582,484	-
Committed	121,460	3,142,757	-
Assigned	-	-	3,142,175
	<u>-</u>	<u>-</u>	<u>3,142,175</u>
Total fund balance	<u>121,460</u>	<u>3,725,241</u>	<u>3,142,175</u>
Total liabilities and fund balances	<u>\$ 121,460</u>	<u>\$ 3,915,036</u>	<u>\$ 3,219,840</u>

Capital Projects			Permanent Fund	Total Nonmajor Governmental Funds
Transportation Reserve	General Projects	Total	Cemetery Fund	
\$ 3,243,988	\$ 4,545,735	\$ 14,023,358	\$ 441,845	\$ 14,586,663
-	594,000	1,176,484	92,518	1,269,002
-	-	318,757	-	318,757
96,346	-	96,346	-	96,346
<u>\$ 3,340,334</u>	<u>\$ 5,139,735</u>	<u>\$ 15,614,945</u>	<u>\$ 534,363</u>	<u>\$ 16,270,768</u>
\$ -	\$ 11,649	\$ 201,444	\$ 1,200	\$ 202,644
-	-	77,665	-	77,665
-	594,000	1,176,484	92,518	1,269,002
-	4,534,086	7,676,843	440,645	8,238,948
3,340,334	-	6,482,509	-	6,482,509
<u>3,340,334</u>	<u>5,128,086</u>	<u>15,335,836</u>	<u>533,163</u>	<u>15,990,459</u>
<u>\$ 3,340,334</u>	<u>\$ 5,139,735</u>	<u>\$ 15,614,945</u>	<u>\$ 534,363</u>	<u>\$ 16,270,768</u>

**TOWN OF APEX, NORTH CAROLINA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the year ended June 30, 2020**

**Statement 5**

	<u>Special Revenue</u>	<u>Capital Projects</u>	
	<u>Perry Library</u>	<u>Street Improvements Project</u>	<u>Recreation Reserve</u>
<b>REVENUES</b>			
Other taxes and licenses			
Motor vehicle licenses	\$ -	\$ -	\$ -
Restricted Intergovernmental	-	511,413	-
Permits and fees			
Subdivision recreation fees	-	-	2,564,412
Payments in lieu of streets	-	-	-
Payments in lieu of sidewalks	-	-	-
Investment earnings	1,785	59,480	71,188
Total revenues	<u>1,785</u>	<u>570,893</u>	<u>2,635,600</u>
<b>EXPENDITURES</b>			
Current-Public works	-	-	-
Capital outlay-improvements	-	1,691,657	-
Total expenditures	<u>-</u>	<u>1,691,657</u>	<u>-</u>
Revenues over (under) expenditures	<u>1,785</u>	<u>(1,120,764)</u>	<u>2,635,600</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	1,932,200	-
Transfers out	-	(65,000)	(3,797,119)
Total other financing sources (uses)	<u>-</u>	<u>1,867,200</u>	<u>(3,797,119)</u>
Net change in fund balances	1,785	746,436	(1,161,519)
FUND BALANCES - Beginning of year	<u>119,675</u>	<u>2,978,805</u>	<u>4,303,694</u>
FUND BALANCES - End of year	<u>\$ 121,460</u>	<u>\$ 3,725,241</u>	<u>\$ 3,142,175</u>

Capital Projects			Permanent Fund	Total Nonmajor Governmental Funds
Transportation Reserve	General Capital Projects	Total	Cemetery Fund	
\$ 1,044,183	\$ -	\$ 1,044,183	\$ -	\$ 1,044,183
-	-	511,413	-	511,413
-	-	2,564,412	-	2,564,412
28,265	-	28,265	-	28,265
17,914	-	17,914	-	17,914
40,106	52,897	223,671	15,859	241,315
<u>1,130,468</u>	<u>52,897</u>	<u>4,389,858</u>	<u>15,859</u>	<u>4,407,502</u>
-	-	-	4,900	4,900
-	369,568	2,061,225	-	2,061,225
-	369,568	2,061,225	4,900	2,066,125
<u>1,130,468</u>	<u>(316,671)</u>	<u>2,328,633</u>	<u>10,959</u>	<u>2,341,377</u>
65,000	2,570,000	4,567,200		4,567,200
(755,000)	-	(4,617,119)	(600,000)	(5,217,119)
<u>(690,000)</u>	<u>2,570,000</u>	<u>(49,919)</u>	<u>(600,000)</u>	<u>(649,919)</u>
440,468	2,253,329	2,278,714	(589,041)	1,691,458
<u>2,899,866</u>	<u>2,874,757</u>	<u>13,057,122</u>	<u>1,122,204</u>	<u>14,299,001</u>
<u>\$ 3,340,334</u>	<u>\$ 5,128,086</u>	<u>\$ 15,335,836</u>	<u>\$ 533,163</u>	<u>\$ 15,990,459</u>

**TOWN OF APEX, NORTH CAROLINA**  
**SPECIAL REVENUE FUND**  
**PERRY LIBRARY FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the year ended June 30, 2020**  
With comparative actual amounts for the year ended June 30, 2019

**Schedule 6**

	<u>2020</u>			<u>2019</u>
	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)	<u>Actual</u>
<b>REVENUES</b>				
Investment earnings	\$ 2,000	\$ 1,785	\$ (215)	\$ 2,253
<b>EXPENDITURES</b>				
Building maintenance and repair	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>1,785</u>	<u>\$ 1,785</u>	<u>2,253</u>
FUND BALANCE - Beginning of year		<u>119,675</u>		<u>117,422</u>
FUND BALANCE - End of year		<u>\$ 121,460</u>		<u>\$ 119,675</u>

**TOWN OF APEX, NORTH CAROLINA  
CAPITAL PROJECT FUND  
STREET IMPROVEMENTS FUND  
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
From inception to June 30, 2020**

**Schedule 7**

	Project Author - ization	Actual		
		Prior Year	Current Year	Total to Date
<b>REVENUES</b>				
Reimbursements	\$ 133,000	\$ 29,515	\$ -	\$ 29,515
Payments in lieu of streets	2,165,000	2,064,835	-	2,064,835
Payments in lieu of sidewalks	170,000	150,356	-	150,356
Intergovernmental	6,275,800	1,143,765	511,413	1,655,178
Investment earnings	297,135	305,864	59,480	365,344
Sub-total revenues	9,040,935	3,694,335	570,893	4,265,228
Less closed projects	934,435	878,500	55,964	934,464
Total revenues	8,106,500	2,815,835	514,929	3,330,764
<b>EXPENDITURES</b>				
Capital outlay-improvements	16,768,067	3,790,321	1,691,657	5,481,978
Less closed projects	1,727,695	1,586,904	139,804	1,726,708
Total expenditures	15,040,372	2,203,417	1,551,853	3,755,270
Revenues over (under) expenditures	(6,933,872)	612,418	(1,036,924)	(424,506)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in (out)				
General Fund	5,160,782	1,868,593	1,177,200	3,045,793
General Fund	(32,517)	(29,050)	-	(29,050)
Transportation Capital Reserve	2,439,345	955,918	755,000	1,710,918
Transportation Capital Reserve	(2,270,000)	(2,150,191)	(65,000)	(2,215,191)
Bonds issued	2,255,606	2,255,605	-	2,255,605
Bond premium	173,916	173,916	-	173,916
Sub-total other financing sources (uses)	7,727,132	3,074,791	1,867,200	4,941,991
Less closed projects	793,260	708,404	83,840	792,244
Total other financing sources (uses)	6,933,872	2,366,387	1,783,360	4,149,747
Net change in fund balance	\$ -	\$ 2,978,805	\$ 746,436	\$ 3,725,241

**TOWN OF APEX, NORTH CAROLINA**  
**RECREATION CAPITAL PROJECT FUND - CAPITAL RESERVE**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the year ended June 30, 2020**

With comparative actual amounts for the year ended June 30, 2019

**Schedule 8**

	<b>2020</b>			<b>2019</b>
	Budget	Actual	Variance Positive (Negative)	Actual
<b>REVENUES</b>				
Subdivision recreation fees	\$ 2,800,000	\$ 2,564,412	\$ (235,588)	\$ 3,449,496
Investment earnings	<u>150,000</u>	<u>71,188</u>	<u>(78,812)</u>	<u>120,182</u>
Total revenues	<u>2,950,000</u>	<u>2,635,600</u>	<u>(314,400)</u>	<u>3,569,678</u>
<b>EXPENDITURES</b>				
Reserved for future expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over expenditures	<u>2,950,000</u>	<u>2,635,600</u>	<u>(314,400)</u>	<u>3,569,678</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out				
General Fund	(1,508,300)	(1,508,300)	-	(1,872,408)
Recreation Project	(2,288,819)	(2,288,819)	-	(3,251,000)
Fund Balance Appropriated	<u>847,119</u>	<u>-</u>	<u>847,119</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,950,000)</u>	<u>(3,797,119)</u>	<u>847,119</u>	<u>(5,123,408)</u>
Net change in fund balance	<u>\$ -</u>	<u>(1,161,519)</u>	<u>\$ (1,161,519)</u>	<u>(1,553,730)</u>
FUND BALANCE - Beginning of year		<u>4,303,694</u>		<u>5,857,424</u>
FUND BALANCE - End of year		<u>\$ 3,142,175</u>		<u>\$ 4,303,694</u>

**TOWN OF APEX, NORTH CAROLINA**  
**TRANSPORTATION CAPITAL PROJECT FUND - CAPITAL RESERVE**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the year ended June 30, 2020**

With comparative actual amounts for the year ended June 30, 2019

**Schedule 9**

	2020		Variance Positive (Negative)	2019
	Budget	Actual		Actual
<b>REVENUES</b>				
Motor vehicle licenses	\$ 750,000	\$ 1,044,183	\$ 294,183	\$ 790,883
Transportation impact fees	-	-	-	(590)
Payments in lieu of streets	-	28,265	28,265	16,503
Payments in lieu of sidewalks	-	17,914	17,914	1,040
Investment earnings	5,000	40,106	35,106	25,901
Total revenues	<u>755,000</u>	<u>1,130,468</u>	<u>375,468</u>	<u>833,737</u>
<b>EXPENDITURES</b>				
Reserved for future expenditures	-	-	-	-
Revenues over expenditures	<u>755,000</u>	<u>1,130,468</u>	<u>375,468</u>	<u>833,737</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in (out)				
General Fund	-	-	-	(293,574)
Street Project Fund	-	65,000	65,000	2,150,191
Street Project Fund	(889,950)	(755,000)	134,950	(555,522)
Fund Balance Appropriated	134,950	-	(134,950)	-
Total other financingsources (uses)	<u>(755,000)</u>	<u>(690,000)</u>	<u>65,000</u>	<u>1,301,095</u>
Net change in fund balance	<u>\$ -</u>	440,468	<u>\$ 440,468</u>	2,134,832
FUND BALANCE - Beginning of year		<u>2,899,866</u>		<u>765,034</u>
FUND BALANCE - End of year		<u>\$ 3,340,334</u>		<u>\$ 2,899,866</u>

**TOWN OF APEX, NORTH CAROLINA**  
**CAPITAL PROJECT FUND**  
**GENERAL PROJECTS FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL**  
**From inception to June 30, 2020**

**Schedule 10**

	Project Author - ization	Actual		Total to Date
		Prior Year	Current Year	
<b>REVENUES</b>				
Investment earnings	\$ 15,100	\$ 41,623	\$ 52,897	\$ 94,520
<b>EXPENDITURES</b>				
Capital outlay-improvements	6,964,237	166,004	369,568	535,572
Less closed projects	181,400	109,282	64,491	173,773
Total expenditures	6,782,837	56,722	305,077	361,799
Revenues under expenditures	(6,767,737)	(15,099)	(252,180)	(267,279)
<b>OTHER FINANCING SOURCES</b>				
Transfers in				
General Fund	6,349,137	2,999,138	1,970,000	4,969,138
Cemetery Fund	600,000	-	600,000	600,000
Sub-total other financing sources	6,949,137	2,999,138	2,570,000	5,569,138
Less closed projects	181,400	109,282	64,491	173,773
Total other financing sources	6,767,737	2,889,856	2,505,509	5,395,365
Net change in fund balance	\$ -	\$ 2,874,757	\$ 2,253,329	\$ 5,128,086

**TOWN OF APEX, NORTH CAROLINA**  
**PERMANENT FUND**  
**CEMETERY FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL**  
**For the year ended June 30, 2020**  
With comparative actual amounts for the year ended June 30, 2019

**Schedule 11**

	<u>2020</u>			<u>2019</u>
	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)	<u>Actual</u>
<b>REVENUES</b>				
Investment earnings	\$ 15,000	\$ 15,859	\$ 859	\$ 21,157
Sale of plots	-	(4,900)	(4,900)	(2,550)
Total revenues	<u>15,000</u>	<u>10,959</u>	<u>(4,041)</u>	<u>18,607</u>
<b>EXPENDITURES</b>				
Reserved for future expenditures	-	-	-	-
Revenues over expenditures	<u>15,000</u>	<u>10,959</u>	<u>(4,041)</u>	<u>18,607</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in /(out)				
General Capital Project Fund	(600,000)	(600,000)	-	-
Fund balance appropriated	<u>585,000</u>	-	<u>585,000</u>	-
Total other financing sources (uses)	<u>(15,000)</u>	<u>(600,000)</u>	<u>585,000</u>	-
Net change in fund balance	<u>\$ -</u>	<u>(589,041)</u>	<u>\$ 580,959</u>	<u>18,607</u>
FUND BALANCE - Beginning of year		<u>1,122,204</u>		<u>1,103,597</u>
FUND BALANCE - End of year		<u>\$ 533,163</u>		<u>\$ 1,122,204</u>



# PROPRIETARY FUNDS

## **Enterprise Funds**

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the Town is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

Electric Fund - used to account for the costs of providing electric service. The Town also maintains a subfund to account for the construction of an electric substation.

Water and Sewer Fund - used to account for the costs of providing water treatment and distribution and wastewater collection and treatment. The Town also maintains subfunds to account for water and sewer capital projects and development fees restricted to use for system improvements.

## **Internal Service Funds**

Internal service funds are used to account for providing goods and services to other funds or departments of the Town. This allows the Town to centralize certain services and then allocate them on a full cost-reimbursement basis.

Health and Dental Fund - the Town self insures routine health and dental claims and uses this fund to centralize costs and allocate them to various departments based on the number of employees.

**TOWN OF APEX, NORTH CAROLINA**  
**ELECTRIC OPERATIONS**  
**SCHEDULE OF REVENUES, EXPENSES AND SUPPLEMENTAL BUDGET EXPENDITURES**  
**BUDGET AND ACTUAL (Non-GAAP)**  
**For the Year Ended June 30, 2020**

With comparative actual amounts for the year ended June 30, 2019

**Schedule 12**

	<b>2020</b>		Variance Positive (Negative)	<b>2019</b>
	Budget	Actual		Actual
<b>REVENUES</b>				
Operating revenues:				
Charges for services				
Sale of electricity	\$ 39,037,200	\$ 38,410,442	\$ (626,758)	\$ 36,239,086
Pole relocation fees	-	60,609	60,609	-
Reconnection fees	25,000	40,915	15,915	43,589
Service initiation fees	60,000	78,629	18,629	55,947
Penalties	200,000	72,701	(127,299)	202,970
Total	<u>39,322,200</u>	<u>38,663,296</u>	<u>(658,904)</u>	<u>36,541,592</u>
Other operating revenues				
Sales tax revenues	2,732,600	2,688,151	(44,449)	2,525,171
Underground charges	1,320,000	1,058,122	(261,878)	1,460,144
Sale of capital assets	30,000	40,635	10,635	-
Miscellaneous	45,000	32,686	(12,314)	68,923
Electric meters	250,000	191,685	(58,315)	211,100
Total other operating revenues	<u>4,377,600</u>	<u>4,011,279</u>	<u>(366,321)</u>	<u>4,265,338</u>
Total operating revenues	<u>43,699,800</u>	<u>42,674,575</u>	<u>(1,025,225)</u>	<u>40,806,930</u>
Nonoperating revenues:				
Intergovernmental revenues	65,700	90,385	24,685	-
Investment earnings	100,000	87,061	(12,939)	101,015
	<u>165,700</u>	<u>177,446</u>	<u>11,746</u>	<u>101,015</u>
Total revenues	<u>43,865,500</u>	<u>42,852,021</u>	<u>(1,013,479)</u>	<u>40,907,945</u>
<b>EXPENDITURES</b>				
Personnel services	4,948,600	4,417,860	530,740	3,930,761
Operations and maintenance	1,800,386	1,448,438	351,948	1,531,829
Purchases of electricity	27,858,400	27,658,546	199,854	25,984,245
Electric sales tax	2,749,000	2,766,473	(17,473)	2,572,686
Total	<u>37,356,386</u>	<u>36,291,317</u>	<u>1,065,069</u>	<u>34,019,521</u>
Debt service				
Principal retirement	535,000	535,000	-	516,000
Interest	104,200	104,077	123	122,801
Total debt service	<u>639,200</u>	<u>639,077</u>	<u>123</u>	<u>638,801</u>
Capital outlay	4,328,408	3,595,879	732,529	4,214,238
Total expenditures	<u>42,323,994</u>	<u>40,526,273</u>	<u>1,797,721</u>	<u>38,872,560</u>
Revenues over (under) expenses	<u>1,541,506</u>	<u>2,325,748</u>	<u>784,242</u>	<u>2,035,385</u>

**TOWN OF APEX, NORTH CAROLINA**  
**ELECTRIC OPERATIONS**  
**SCHEDULE OF REVENUES, EXPENSES AND SUPPLEMENTAL BUDGET EXPENDITURES**  
**BUDGET AND ACTUAL (Non-GAAP)**  
**For the Year Ended June 30, 2020**

With comparative actual amounts for the year ended June 30, 2019

**Schedule 12**

	<u>2020</u>		Variance Positive (Negative)	<u>2019</u>
	Budget	Actual		Actual
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out				
Electric Substation Project	\$ (2,255,820)	\$ (2,255,820)	\$ -	\$ (1,200,000)
Contingency	(107,800)	-	107,800	-
Appropriated fund balance	822,114	-	(822,114)	-
Total other financing sources (uses)	<u>(1,541,506)</u>	<u>(2,255,820)</u>	<u>(714,314)</u>	<u>(1,200,000)</u>
Revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	69,928	<u>\$ 69,928</u>	835,385

**Reconciliation from budgetary basis  
(modified accrual) to full accrual:**

Reconciling items:

Capital outlay	3,595,879	4,214,238
Depreciation	(2,760,235)	(2,608,624)
Payment of debt principal	535,000	516,000
Intrafund transfers	2,255,820	1,200,000
(Increase) decrease in accrued vacation and compensatory pay	10,083	(8,476)
(Increase) decrease in accrued interest	(100,052)	2,348
Increase/(decrease) in deferred outflows of resources - pensions	(86,017)	318,958
Increase in net pension liability	(163,883)	(402,800)
Decrease in deferred inflows of resources - pensions	5,538	17,094
Increase in deferred outflows of resources - OPEB	393,911	136,949
(Increase)/decrease in deferred inflows of resources - OPEB	(78,609)	42,800
Increase in net OPEB liability	(529,868)	(373,334)
Electric substation project		
Investment earnings	169,277	89,290
Bond issuance costs	(112,803)	-
Net income	<u>\$ 3,203,969</u>	<u>\$ 3,979,828</u>

**TOWN OF APEX, NORTH CAROLINA**  
**WATER AND SEWER FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP)**

**For the Year Ended June 30, 2020**

With comparative actual amounts for the year ended June 30, 2019

**Schedule 13**

	<b>2020</b>			<b>2019</b>
	Budget	Actual	Variance Positive (Negative)	Actual
<b>REVENUES</b>				
Operating revenues				
Charges for services	\$ 20,476,900	\$ 19,006,567	\$ (1,470,333)	\$ 16,477,807
Other operating revenues				
Water and sewer taps	550,000	523,366	(26,634)	507,825
Water tank rentals	170,000	166,078	(3,922)	176,159
Miscellaneous	171,000	269,579	98,579	245,618
Total other operating revenues	891,000	959,023	68,023	929,602
Total operating revenues	21,367,900	19,965,590	(1,402,310)	17,407,409
Nonoperating revenues:				
Investment earnings	250,000	349,448	99,448	315,513
Intergovernmental revenues	-	9,091	9,091	-
Sale of capital assets	10,000	17,260	7,260	131,591
Total nonoperating revenues	260,000	375,799	115,799	447,104
Total revenues	21,627,900	20,341,389	(1,286,511)	17,854,513
<b>EXPENDITURES</b>				
Water & Sewer Administration				
Personnel services	2,566,600	2,370,646	195,954	1,899,681
Operations and maintenance	525,629	465,779	59,850	463,261
Total	3,092,229	2,836,425	255,804	2,362,942
Sewer Treatment				
Personnel services	900,900	809,063	91,837	935,629
Operations and maintenance	1,056,527	841,152	215,375	809,411
Contracted treatment services	1,971,800	1,765,959	205,841	1,801,028
Total	3,929,227	3,416,174	513,053	3,546,068
Sewer Maintenance				
Personnel services	1,229,300	1,161,663	67,637	850,465
Operations and maintenance	1,945,665	998,747	946,918	1,008,509
Total	3,174,965	2,160,410	1,014,555	1,858,974
Water Treatment				
Operations and maintenance	221,284	145,336	75,948	77,569
Water purchases	2,403,100	1,972,741	430,359	1,710,932
Total	2,624,384	2,118,077	506,307	1,788,501
Water Maintenance				
Personnel services	1,513,000	1,227,575	285,425	1,271,918
Operations and maintenance	1,839,326	634,114	1,205,212	1,097,260
Total	3,352,326	1,861,689	1,490,637	2,369,178
Debt service				
Interest	1,561,900	1,561,605	295	1,614,294
Principal retirement	2,414,500	2,414,539	(39)	2,339,444
Total debt service	3,976,400	3,976,144	256	3,953,738

**TOWN OF APEX, NORTH CAROLINA**  
**WATER AND SEWER FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP)**

**For the Year Ended June 30, 2020**

With comparative actual amounts for the year ended June 30, 2019

**Schedule 13**

	<u>2020</u>			<u>2019</u>
	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)	<u>Actual</u>
<b>Capital outlay</b>				
Water/Sewer administration	\$ 82,000	\$ 39,863	\$ 42,137	\$ 62,498
Sewer treatment	363,790	61,287	302,503	663,433
Sewer maintenance	628,725	127,473	501,252	305,039
Water maintenance	607,500	646,949	(39,449)	964,022
Water treatment	1,233,000	324,847	908,153	396,366
Total capital outlay	<u>2,915,015</u>	<u>1,200,419</u>	<u>1,714,596</u>	<u>2,391,358</u>
Total expenditures	<u>23,064,546</u>	<u>17,569,338</u>	<u>5,495,208</u>	<u>18,270,759</u>
Revenues over (under) expenditures	<u>(1,436,646)</u>	<u>2,772,051</u>	<u>4,208,697</u>	<u>(416,246)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in /(out)				
Water/Sewer Reserves	1,945,500	1,945,500	-	19,794,923
Water/Sewer Project Fund	(995,000)	(995,000)	-	(2,315,225)
Fund balance appropriated	609,146	-	(609,146)	-
Contingency	(123,000)	-	123,000	-
Total other financing sources (uses)	<u>1,436,646</u>	<u>950,500</u>	<u>(486,146)</u>	<u>17,479,698</u>
<b>SPECIAL ITEM</b>				
Legal settlement	-	-	-	(14,658,099)
Revenues and other financing sources (uses) over expenditures, other financing uses and special item	<u>\$ -</u>	<u>3,722,551</u>	<u>\$ 3,722,551</u>	<u>2,405,353</u>
<b>Reconciliation from budgetary basis (modified accrual) to full accrual:</b>				
Capital outlay		1,200,419		2,391,358
Capital contributions		16,906,414		3,394,390
Intrafund transfers		(950,500)		(17,479,698)
Depreciation		(10,680,288)		(10,648,851)
(Increase)/decrease in accrued interest		8,613		(19,681)
Amortization of premiums on bonds issued		74,236		74,237
Payment of debt principal		2,414,539		2,339,444
Increase/(decrease) in deferred outflows of resources - pensions		(104,574)		399,242
Increase in net pension liability		(205,663)		(504,188)
Decrease in deferred inflows of resources - pensions		3,577		21,397
Disposition of capital assets		-		(72,810)
(Increase) decrease in accrued vacation pay		65,788		(28,264)
Increase in deferred outflows - OPEB		479,082		146,633
(Increase)/decrease in deferred inflows - OPEB		(95,606)		53,851
Increase in net OPEB liability		(669,884)		(416,778)
Water/Sewer Capital Project Fund				
Interest income		155,641		168,865
Federal grants		330,000		-
Waste Water Treatment Plant Capital Project Fund				
Interest income		27,428		36,823

**TOWN OF APEX, NORTH CAROLINA  
WATER AND SEWER FUND  
SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP)**

**For the Year Ended June 30, 2020**

With comparative actual amounts for the year ended June 30, 2019

**Schedule 13**

**Reconciliation from budgetary basis (modified accrual)  
to full accrual: (continued)**

Capital Reserve Funds		
Capacity fees	245,782	347,665
Acreage fees	11,397	-
Capital reimbursement fees	7,287,438	10,484,935
Interest income	421,844	742,074
Miscellaneous	12,605	4,212
Net Income	\$ <u>20,660,839</u>	\$ <u>(6,159,791)</u>

**TOWN OF APEX, NORTH CAROLINA**  
**ELECTRIC SUBSTATION PROJECT**  
**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**From Inception to June 30, 2020**

**Schedule 14**

	Project	Actual		
	Author - ization	Prior Years	Current Year	Total to Date
<b>REVENUES</b>				
Investment earnings	\$ 323,274	\$ 187,336	\$ 169,277	\$ 356,613
<b>EXPENDITURES</b>				
Capital outlay - improvements	18,376,720	532,715	4,240,180	4,772,895
Bond issuance cost	110,100	-	112,803	112,803
Total expenditures	<u>18,486,820</u>	<u>532,715</u>	<u>4,352,983</u>	<u>4,885,698</u>
Revenues under expenditures	<u>(18,163,546)</u>	<u>(345,379)</u>	<u>(4,183,706)</u>	<u>(4,529,085)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in				
Electric Fund	8,055,183	4,685,540	2,255,820	6,941,360
Water/Sewer Fund	108,363	108,363	-	108,363
Bonds issued	10,000,000	-	10,000,000	10,000,000
Total other financing sources	<u>18,163,546</u>	<u>4,793,903</u>	<u>12,255,820</u>	<u>17,049,723</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ 4,448,524</u>	<u>\$ 8,072,114</u>	<u>\$ 12,520,638</u>

**TOWN OF APEX, NORTH CAROLINA**  
**WATER/SEWER PROJECT FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**From Inception to June 30, 2020**

**Schedule 15**

	Project Author - ization	Actual		
		Prior Years	Current Year	Total to Date
<b>REVENUES</b>				
Intergovernmental revenues	\$ 330,000	\$ -	\$ 330,000	\$ 330,000
Investment earnings	535,336	323,474	155,641	479,115
Subtotal	<u>865,336</u>	<u>323,474</u>	<u>485,641</u>	<u>809,115</u>
Less closed projects	<u>330,000</u>	<u>-</u>	<u>330,000</u>	<u>330,000</u>
Total revenues	<u>535,336</u>	<u>323,474</u>	<u>155,641</u>	<u>479,115</u>
<b>EXPENDITURES</b>				
Capital outlay - improvements	27,875,161	6,459,734	2,357,895	8,817,629
Bond issuance costs	-	60,905	-	60,905
Subtotal	<u>27,875,161</u>	<u>6,520,639</u>	<u>2,357,895</u>	<u>8,878,534</u>
Less closed projects	<u>657,654</u>	<u>378,718</u>	<u>326,059</u>	<u>704,777</u>
Total expenditures	<u>27,217,507</u>	<u>6,141,921</u>	<u>2,031,836</u>	<u>8,173,757</u>
Revenues under expenditures	<u>(26,682,171)</u>	<u>(5,818,447)</u>	<u>(1,876,195)</u>	<u>(7,694,642)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in				
Water/Sewer Capital Reserve	13,181,600	12,238,997	950,000	13,188,997
Water/Sewer HB 463 Reserve	9,468,000	-	5,715,000	5,715,000
Water/Sewer Fund	<u>4,360,225</u>	<u>2,815,225</u>	<u>995,000</u>	<u>3,810,225</u>
Total other financing sources	<u>27,009,825</u>	<u>15,054,222</u>	<u>7,660,000</u>	<u>22,714,222</u>
Less closed projects	<u>327,654</u>	<u>374,777</u>	<u>-</u>	<u>374,777</u>
Total other financing sources	<u>26,682,171</u>	<u>14,679,445</u>	<u>7,660,000</u>	<u>22,339,445</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ 8,860,998</u>	<u>\$ 5,783,805</u>	<u>\$ 14,644,803</u>

**TOWN OF APEX, NORTH CAROLINA**  
**WASTEWATER TREATMENT PLANT PROJECT FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**From Inception to June 30, 2020**

**Schedule 16**

	Project Author - ization	Prior Years	Actual Current Year	Total to Date
<b>REVENUES</b>				
Investment earnings	\$ 400,000	\$ 375,733	\$ 27,428	\$ 403,161
Miscellaneous	-	404	-	404
Total revenues	<u>400,000</u>	<u>376,137</u>	<u>27,428</u>	<u>403,565</u>
<b>EXPENDITURES</b>				
Capital outlay - improvements	<u>841,000</u>	<u>154,592</u>	<u>265,516</u>	<u>420,108</u>
Revenues over (under) expenditures	(441,000)	221,545	(238,088)	(16,543)
<b>OTHER FINANCING SOURCES</b>				
Transfers in				
Water/Sewer Capital Reserve	<u>441,000</u>	<u>1,663,566</u>	<u>-</u>	<u>1,663,566</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 1,885,111</u>	<u>\$ (238,088)</u>	<u>\$ 1,647,023</u>

**TOWN OF APEX, NORTH CAROLINA**  
**WATER/SEWER CAPITAL RESERVE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP)**

**For the year ended June 30, 2020**

With comparative actual amounts for the year ended June 30, 2019

**Schedule 17**

	<u>2020</u>			<u>2019</u>
	Budget	Actual	Variance Positive (Negative)	Actual
<b>REVENUES</b>				
Capacity fees	\$ -	\$ 245,782	\$ 245,782	\$ 347,665
Capital reimbursement fees	-	65,761	65,761	1,301,814
Acreage fees	-	11,397	11,397	-
Payments in lieu of water/sewer	-	12,605	12,605	4,212
Investment earnings	300,000	314,278	14,278	678,459
Total revenues	<u>300,000</u>	<u>649,823</u>	<u>349,823</u>	<u>2,332,150</u>
<b>EXPENDITURES</b>	-	-	-	-
Revenues over expenditures	<u>300,000</u>	<u>649,823</u>	<u>349,823</u>	<u>2,332,150</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in (out)				
Water/Sewer Fund	(80,000)	(80,000)	-	(15,597,073)
Water/Sewer Project Fund	(950,000)	(950,000)	-	(1,314,750)
Fund Balance Appropriated	730,000	-	(730,000)	-
Total other financing sources (uses)	<u>(300,000)</u>	<u>(1,030,000)</u>	<u>(730,000)</u>	<u>(16,911,823)</u>
Net change in fund balance	<u>\$ -</u>	<u>(380,177)</u>	<u>\$ (380,177)</u>	<u>(14,579,673)</u>
FUND BALANCE - Beginning of year		<u>21,077,934</u>		<u>35,657,607</u>
FUND BALANCE - End of year		<u>\$ 20,697,757</u>		<u>\$ 21,077,934</u>

**TOWN OF APEX, NORTH CAROLINA**  
**WATER/SEWER HB 463 CAPITAL RESERVE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP)**

**For the year ended June 30, 2020**

With comparative actual amounts for the year ended June 30, 2019

**Schedule 18**

	<u>2020</u>			<u>2019</u>
	Budget	Actual	Variance Positive (Negative)	Actual
<b>REVENUES</b>				
Capital reimbursement fees	\$ 6,000,000	\$ 7,221,677	\$ 1,221,677	\$ 9,183,121
Investment earnings	50,000	107,566	57,566	63,615
Total revenues	<u>6,050,000</u>	<u>7,329,243</u>	<u>1,279,243</u>	<u>9,246,736</u>
<b>EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over expenditures	<u>6,050,000</u>	<u>7,329,243</u>	<u>1,279,243</u>	<u>9,246,736</u>
<b>OTHER FINANCING USES</b>				
Transfers out				
Water/Sewer Fund	(1,865,500)	(1,865,500)	-	(4,197,850)
Water/Sewer Project Fund	(5,715,000)	(5,715,000)	-	-
Fund balance appropriated	1,530,500	-	(1,530,500)	-
Total other financing uses	<u>(6,050,000)</u>	<u>(7,580,500)</u>	<u>-</u>	<u>(4,197,850)</u>
Net change in fund balance	\$ <u>-</u>	(251,257)	\$ <u>(251,257)</u>	5,048,886
FUND BALANCE - Beginning of year		<u>5,048,886</u>		<u>-</u>
FUND BALANCE - End of year		\$ <u><u>4,797,629</u></u>		\$ <u><u>5,048,886</u></u>

**TOWN OF APEX, NORTH CAROLINA**  
**INTERNAL SERVICE FUND**  
**HEALTH AND DENTAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN NET POSITION - FINANCIAL PLAN AND ACTUAL (Non - GAAP)**  
**For the year ended June 30, 2020**

With comparative actual amounts for the year ended June 30, 2019

**Schedule 19**

	2020			2019
	Financial Plan	Actual	Variance Positive (Negative)	Actual
<b>REVENUES</b>				
Health premiums	\$ 5,056,902	\$ 4,700,858	\$ (356,044)	\$ 3,938,889
Dental premiums	304,783	318,562	13,779	238,128
Employee health contributions	1,011,849	944,818	(67,031)	884,450
Employee dental contributions	154,003	177,541	23,538	142,545
Employee vision contributions	56,912	65,177	8,265	60,804
Retiree health contributions	-	86,823	86,823	78,839
Total revenues	6,584,449	6,293,779	(290,670)	5,343,655
<b>EXPENDITURES</b>				
Health claims-employees	5,154,049	3,285,382	1,868,667	3,213,945
Dental claims-employees	425,819	321,644	104,175	339,513
Administrative fees-employees	373,409	774,843	(401,434)	661,535
Health claims-retiree	546,673	185,748	360,925	397,229
Dental claims-retiree	9,000	3,655	5,345	8,536
Retiree premiums	-	69,266	(69,266)	-
Administrative fees-retiree	18,587	64,321	(45,734)	65,462
Administrative fees-vision	56,912	58,530	(1,618)	54,801
Total expenditures	6,584,449	4,763,389	1,821,060	4,741,021
Revenues over expenditures	\$ -	1,530,390	\$ 1,530,390	602,634
<b>Reconciliation from financial plan basis (modified accrual) to full accrual:</b>				
Reconciling items:				
Decrease in reserve for incurred but not reported ("IBNR") claims		37,000		333,052
Change in net position		\$ 1,567,390		\$ 935,686

**TOWN OF APEX, NORTH CAROLINA  
GENERAL FUND  
SCHEDULE OF AD VALOREM TAXES RECEIVABLE  
June 30, 2020**

**Schedule 20**

<u>Fiscal Year</u>	Uncollected Balance June 30, 2019	<u>Additions</u>	Collections, Adjustments and Releases	Uncollected Balance June 30, 2020
2019-2020	\$ -	\$ 32,667,307	\$ 32,603,343	\$ 63,964
2018-2019	31,317	-	13,667	17,650
2017-2018	18,541	-	2,738	15,803
2016-2017	9,435	-	510	8,925
2015-2016	9,658	-	368	9,290
2014-2015	10,505	-	255	10,250
2013-2014	16,563	-	297	16,266
2012-2013	9,712	-	89	9,623
2011-2012	8,414	-	58	8,356
2010-2011	9,915	-	388	9,527
2009-2010	10,241	-	10,241	-
	<u>\$ 134,301</u>	<u>\$ 32,667,307</u>	<u>\$ 32,631,954</u>	<u>169,654</u>
				<u>110,556</u>
				<u>\$ 59,098</u>

Less: Allowance for uncollectible accounts

Ad valorem taxes receivable - net

Reconciliation with revenues:

Ad valorem taxes - General Fund	\$ 32,658,938
Reconciling items:	
Less: Penalties and interest	(38,802)
Add: Adjustments and releases	11,818
Total collections and credits	<u>32,631,954</u>

**TOWN OF APEX, NORTH CAROLINA  
ANALYSIS OF CURRENT TAX LEVY  
For the Year Ended June 30, 2020**

**Schedule 21**

	Town - Wide		Total Levy			
			Property excluding Registered Motor Vehicles	Registered Motor Vehicles		
	Property Valuation	Rate	Total Levy			
Original levy:						
Property taxed at current rate	\$ 7,860,418,072	0.415	\$ 32,620,735	29,928,102	\$ 2,692,633	
Penalties	-		8,702	8,702	-	
Total	7,860,418,072		32,629,437	29,936,804	2,692,633	
Discoveries:						
Prior year taxes	-		59,889	59,889	-	
Total	7,860,418,072		32,689,326	29,996,693	2,692,633	
Releases	(5,305,783)	0.415	(22,019)	(22,019)	-	
Total property valuation	\$ 7,855,112,289					
Net levy			32,667,307	29,974,674	2,692,633	
Uncollected taxes at June 30, 2020			63,964	42,915	21,049	
Current year's taxes collected			\$ 32,603,343	\$ 29,931,759	\$ 2,671,584	
Current levy collection percentage			99.8%	99.9%	99.2%	

**TOWN OF APEX, NORTH CAROLINA**  
**GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS**  
**AND MATURITY SCHEDULE**  
**June 30, 2020**

**Schedule 22**

Fiscal Year	UTILITIES		OTHER		TOTAL	
	Principal	Principal and Interest	Principal	Principal and Interest	Principal	Principal and Interest
2020-2021	980,000	2,041,125	3,205,000	5,407,403	4,185,000	7,448,528
2021-2022	1,045,000	2,086,525	3,215,000	5,283,257	4,260,000	7,369,782
2022-2023	1,115,000	2,135,625	3,215,000	5,138,507	4,330,000	7,274,132
2023-2024	1,185,000	2,161,025	3,225,000	5,011,607	4,410,000	7,172,632
2024-2025	1,260,000	2,176,775	3,225,000	4,874,057	4,485,000	7,050,832
2025-2026	1,340,000	2,193,775	3,020,000	4,531,206	4,360,000	6,724,981
2026-2027	1,420,000	2,233,575	3,025,000	4,391,207	4,445,000	6,624,782
2027-2028	1,575,000	2,345,975	3,030,000	4,250,957	4,605,000	6,596,932
2028-2029	1,665,000	2,388,725	3,205,000	4,288,957	4,870,000	6,677,682
2029-2030	1,760,000	2,433,775	3,110,000	4,062,507	4,870,000	6,496,282
2030-2031	1,855,000	2,475,975	3,110,000	3,939,407	4,965,000	6,415,382
2031-2032	1,955,000	2,501,775	3,295,000	4,001,307	5,250,000	6,503,082
2032-2033	2,080,000	2,548,575	3,525,000	4,132,457	5,605,000	6,681,032
2033-2034	2,185,000	2,570,375	3,395,000	3,911,607	5,580,000	6,481,982
2034-2035	2,740,000	3,037,975	3,395,000	3,822,276	6,135,000	6,860,251
2035-2036	2,740,000	2,928,375	3,395,000	3,732,944	6,135,000	6,661,319
2036-2037	2,740,000	2,835,900	3,395,000	3,643,613	6,135,000	6,479,513
2037-2038	-	-	3,395,000	3,551,901	3,395,000	3,551,901
2038-2039	-	-	1,490,000	1,555,188	1,490,000	1,555,188
2039-2040	-	-	1,490,000	1,523,525	1,490,000	1,523,525
	<u>\$ 29,640,000</u>	<u>\$ 41,095,850</u>	<u>\$ 61,360,000</u>	<u>\$ 81,053,890</u>	<u>\$ 91,000,000</u>	<u>\$ 122,149,740</u>



## STATISTICAL SECTION

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

### Financial Trends - Tables 1 - 5

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

### Revenue Capacity - Tables 6 - 9

These tables contain information to help the reader assess the Town's most significant revenue sources, property taxes and electric sales.

### Debt Capacity - Tables 10 - 13

These tables present information to help the reader assess the affordability of the Town's current levels of outstanding debt and its ability to issue additional debt in the future.

### Demographic and Economic Information - Tables 14 - 15

These tables offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

### Operating Information - Tables 16 - 18

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



**TOWN OF APEX, NORTH CAROLINA**  
**NET POSITION BY COMPONENT**  
**Last Ten Fiscal Years**  
(Accrual Basis of Accounting)  
(000's omitted)

**Table 1**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Governmental activities</b>										
Net investment in capital assets	\$ 138,025	\$ 145,697	\$ 146,483	\$ 150,821	\$ 172,231	\$ 208,352	\$ 298,896	\$ 383,833	\$ 446,504	\$ 492,439
Restricted	4,138	4,019	5,251	7,352	6,090	10,486	8,279	10,340	11,128	10,525
Unrestricted	15,810	14,161	15,473	14,699	14,216	13,406	17,797	13,270	14,301	19,204
<b>Total governmental activities net position</b>	<b>\$ 157,973</b>	<b>\$ 163,877</b>	<b>\$ 167,207</b>	<b>\$ 172,872</b>	<b>\$ 192,537</b>	<b>\$ 232,244</b>	<b>\$ 324,972</b>	<b>\$ 407,443</b>	<b>\$ 471,933</b>	<b>\$ 522,168</b>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 104,380	\$ 102,749	\$ 104,939	\$ 135,200	\$ 147,820	\$ 181,185	\$ 202,626	\$ 220,327	\$ 225,236	\$ 238,830
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	53,767	62,759	65,281	46,298	46,393	44,345	49,435	66,894	59,682	69,953
<b>Total business-type activities net position</b>	<b>\$ 158,147</b>	<b>\$ 165,508</b>	<b>\$ 170,220</b>	<b>\$ 181,498</b>	<b>\$ 194,213</b>	<b>\$ 225,530</b>	<b>\$ 252,061</b>	<b>\$ 287,221</b>	<b>\$ 284,918</b>	<b>\$ 308,783</b>
<b>Primary government</b>										
Net investment in capital assets	\$ 242,405	\$ 248,446	\$ 251,422	\$ 286,021	\$ 320,051	\$ 389,537	\$ 501,522	\$ 604,160	\$ 671,740	\$ 731,269
Restricted	4,138	4,019	5,251	7,352	6,090	10,486	8,279	10,340	11,128	10,525
Unrestricted	69,577	76,920	80,754	60,997	60,609	57,751	67,232	80,164	73,983	89,157
<b>Total primary government net position</b>	<b>\$ 316,120</b>	<b>\$ 329,385</b>	<b>\$ 337,427</b>	<b>\$ 354,370</b>	<b>\$ 386,750</b>	<b>\$ 457,774</b>	<b>\$ 577,033</b>	<b>\$ 694,664</b>	<b>\$ 756,851</b>	<b>\$ 830,951</b>

**TOWN OF APEX, NORTH CAROLINA**  
**CHANGES IN NET POSITION**  
 Last Ten Fiscal Years  
 (Accrual Basis of Accounting)  
 (000's omitted)

**Table 2**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Expenses</b>										
<b>Governmental activities</b>										
General government	\$ 7,380	\$ 7,987	\$ 7,941	\$ 8,761	\$ 9,235	\$ 9,851	\$ 10,069	\$ 10,584	\$ 11,746	\$ 13,145
Public Safety	11,994	12,878	13,836	14,692	15,491	16,623	19,644	21,076	21,019	25,437
Public Works	6,427	7,023	7,350	6,644	8,854	8,697	13,241	16,523	18,984	21,547
Environmental Protection	3,163	3,304	3,270	3,532	3,794	4,006	3,394	3,642	4,147	4,792
Culture and recreation	3,786	3,963	4,272	4,381	4,811	5,336	5,519	5,750	6,395	7,127
Interest on long-term debt	935	862	917	974	944	822	764	1,073	1,510	1,743
<b>Total governmental activities expenses</b>	<b>33,685</b>	<b>36,017</b>	<b>37,586</b>	<b>38,984</b>	<b>43,129</b>	<b>45,335</b>	<b>52,631</b>	<b>58,648</b>	<b>63,801</b>	<b>73,791</b>
<b>Business-type activities</b>										
Water and Sewer	11,124	11,473	13,304	14,196	15,498	18,485	20,140	22,334	24,462	25,080
Electric	27,223	28,330	28,335	29,530	31,674	31,179	34,154	34,215	37,018	39,817
<b>Total business-type activities expenses</b>	<b>38,347</b>	<b>39,803</b>	<b>41,639</b>	<b>43,726</b>	<b>47,172</b>	<b>49,664</b>	<b>54,294</b>	<b>56,549</b>	<b>61,480</b>	<b>64,897</b>
<b>Total primary government expenses</b>	<b>\$ 72,032</b>	<b>\$ 75,820</b>	<b>\$ 79,225</b>	<b>\$ 82,710</b>	<b>\$ 90,301</b>	<b>\$ 94,999</b>	<b>\$ 106,925</b>	<b>\$ 115,197</b>	<b>\$ 125,281</b>	<b>\$ 138,688</b>
<b>Program Revenues</b>										
<b>governmental activities</b>										
Charges for services:										
General government	\$ 918	\$ 891	\$ 1,218	\$ 1,840	\$ 2,557	\$ 3,501	\$ 4,960	\$ 5,638	\$ 5,080	\$ 4,216
Public Safety <sup>(1)</sup>	1,020	51	14	14	11	15	17	12	-	-
Culture and recreation	858	1,097	1,706	1,553	2,324	323	4,892	5,149	4,539	3,125
Public Works	169	299	228	398	636	2,953	1,487	1,152	220	46
Environmental Protection	2,389	2,465	2,574	2,683	2,814	3,029	3,351	3,629	4,193	4,853
Operating grants and contributions	1,168	2,315	3,189	2,897	3,008	3,073	3,773	4,276	2,865	2,929
Capital grants and contributions	4,277	10,174	5,074	6,472	23,058	38,469	92,297	98,076	65,952	57,687
<b>Total governmental activities program revenues</b>	<b>10,799</b>	<b>17,292</b>	<b>14,003</b>	<b>15,857</b>	<b>34,408</b>	<b>51,363</b>	<b>110,777</b>	<b>117,932</b>	<b>82,849</b>	<b>72,856</b>
<b>Business-type activities</b>										
Charges for services:										
Water and Sewer	12,964	28,901	15,797	16,448	12,949	13,374	14,457	16,260	17,408	19,966
Electric	29,686	13,809	29,069	31,599	32,646	33,299	36,224	38,364	40,807	42,674
Operating grants and contributions	-	-	-	-	-	-	-	-	-	99
Capital grants and contributions	805	4,362	2,603	6,478	14,977	34,121	29,850	37,863	14,231	24,794
<b>Total business-type activities program revenues</b>	<b>43,455</b>	<b>47,072</b>	<b>47,469</b>	<b>54,525</b>	<b>60,572</b>	<b>80,794</b>	<b>80,531</b>	<b>92,487</b>	<b>72,446</b>	<b>87,533</b>
<b>Total primary government program revenues</b>	<b>\$ 54,254</b>	<b>\$ 64,364</b>	<b>\$ 61,472</b>	<b>\$ 70,382</b>	<b>\$ 94,980</b>	<b>\$ 132,157</b>	<b>\$ 191,308</b>	<b>\$ 210,419</b>	<b>\$ 155,295</b>	<b>\$ 160,389</b>

**TOWN OF APEX, NORTH CAROLINA**  
**CHANGES IN NET POSITION**  
 Last Ten Fiscal Years  
 (Accrual Basis of Accounting)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Net (expense)/revenue	\$ (22,886)	\$ (18,726)	\$ (23,583)	\$ (23,127)	\$ (8,721)	\$ 6,028	\$ 58,146	\$ 59,293	\$ 19,048	\$ (935)
Governmental activities	5,108	7,269	5,830	10,799	13,400	31,130	26,237	35,938	10,966	22,636
Business-type activities	\$ (17,778)	\$ (11,457)	\$ (17,753)	\$ (12,328)	\$ 4,679	\$ 37,158	\$ 84,383	\$ 95,231	\$ 30,014	\$ 21,701
Total primary government net expenses										

**General Revenues and Other Changes in Net Position**

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Governmental activities	14,722	15,063	17,837	18,969	19,547	20,676	22,987	24,665	29,498	32,687
Taxes	5,189	6,293	6,665	7,219	7,959	8,753	9,407	10,109	11,038	12,175
Property taxes	136	143	148	202	168	176	329	345	791	1,049
Sales taxes	35	36	42	47	51	56	65	271	82	81
Motor vehicle licenses	2,104	2,415	2,122	2,176	2,859	2,971	2,971	3,028	3,261	3,459
Miscellaneous taxes	83	48	53	25	24	95	202	562	1,621	1,244
Unrestricted grants and contributions	214	631	375	553	398	364	475	536	475	476
Investment earnings	-	-	-	(400)	-	-	-	-	-	-
Miscellaneous	22,483	24,629	27,242	28,791	31,006	33,091	36,436	39,516	46,766	51,171
Transfers	177	93	115	51	71	133	264	694	1,453	1,211
Total governmental activities	-	-	5	28	10	54	30	39	59	17
Business-type activities	-	-	-	400	-	-	-	-	-	-
Investment earnings	177	93	120	479	81	187	294	733	1,512	1,228
Miscellaneous	22,660	24,722	27,362	29,270	31,087	33,278	36,730	40,249	48,278	52,399
Transfers										
Total business-type activities										
Total primary government										

Special Item: Legal Settlement

Total governmental activities	-	-	-	-	-	-	-	-	(699)	-
Total business-type activities	-	-	-	-	-	-	-	-	(14,658)	-
Total primary government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (15,357)	\$ -

**Change in Net Position**

Governmental activities	\$ (403)	\$ 5,903	\$ 3,659	\$ 5,664	\$ 22,285	\$ 39,119	\$ 94,582	\$ 98,809	\$ 65,115	\$ 50,236
Business-type activities	5,285	7,362	5,950	11,278	13,481	31,317	26,531	36,671	(2,180)	23,864
Total primary government	\$ 4,882	\$ 13,265	\$ 9,609	\$ 16,942	\$ 35,766	\$ 70,436	\$ 121,113	\$ 135,480	\$ 62,935	\$ 74,100

Notes

(1) Merger with Apex EMS completed March 2010.

**TOWN OF APEX, NORTH CAROLINA**  
**GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE**  
**Last Ten Fiscal Years**  
(Modified Accrual Basis of Accounting)

**Table 3**

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Motor Vehicle Licenses	Beer & Wine Tax	Rental Vehicle Tax	Total
2011	14,728,071	5,189,227	1,682,919	136,292	142,249	32,452	21,911,210
2012	15,094,213	6,292,886	1,962,575	143,276	163,556	36,518	23,693,024
2013	17,818,627	6,664,708	1,811,003	147,239	156,234	42,333	26,640,144
2014	19,041,293	7,218,751	1,839,512	210,725	173,957	46,941	28,531,179
2015	19,577,741	7,959,043	2,471,056	176,038	195,186	51,335	30,430,399
2016	20,708,708	8,752,692	2,567,708	179,814	187,787	56,331	32,453,040
2017	22,995,117	9,406,835	2,529,054	333,116	202,523	65,499	35,532,144
2018	24,672,063	10,109,296	2,647,424	545,363	202,218	73,883	38,250,247
2019	29,525,234	11,038,256	2,765,367	790,883	209,435	82,207	44,411,382
2020	32,658,938	12,174,795	2,814,107	1,044,183	227,565	80,713	49,000,301

**TOWN OF APEX, NORTH CAROLINA**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**Last Ten Fiscal Years**  
(Accrual Basis of Accounting)  
(000's omitted)

**Table 4**

	<u>2011</u> <sup>(1)</sup>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	80	80	111	101	142	166	115	114	163	285
Restricted	3,046	4,379	4,154	5,877	5,377	7,179	7,569	9,640	10,431	9,839
Committed	-	-	-	-	-	677	776	842	850	865
Assigned	620	1,533	1,538	1,500	1,012	1,826	-	2,358	2,327	2,370
Unassigned	12,623	11,608	13,983	14,299	15,190	15,467	19,377	21,883	26,062	28,905
Total General Fund	\$ 16,369	\$ 17,600	\$ 19,786	\$ 21,777	\$ 21,721	\$ 25,315	\$ 27,837	\$ 34,837	\$ 39,833	\$ 42,264
All other governmental funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Capital project funds	-	-	-	-	-	-	-	-	-	-
Permanent funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	714	718	716	717	713	712	709	700	697	687
Restricted	-	-	-	759	-	2,595	-	20,177	18,237	46,145
Committed	4,068	2,205	5,727	1,920	3,509	3,999	5,476	8,507	12,032	17,426
Assigned	696	1,114	2,749	3,138	2,934	2,833	5,202	6,622	7,204	6,482
Unassigned	-	(31)	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 5,478	\$ 4,006	\$ 9,192	\$ 6,534	\$ 7,156	\$ 10,139	\$ 11,387	\$ 36,006	\$ 38,170	\$ 70,740

Notes:

<sup>(1)</sup> Beginning fiscal year 2011, fund balance has been reclassified based on GASB 54 guidelines.

**TOWN OF APEX, NORTH CAROLINA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
 Last Ten Fiscal Years  
 (Modified Accrual Basis of Accounting)  
 ('000's omitted)

**Table 5**

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>Revenues</b>										
Ad valorem taxes	\$ 14,728	\$ 15,094	\$ 17,819	\$ 19,041	\$ 19,577	\$ 20,709	\$ 22,995	\$ 24,672	\$ 29,525	\$ 32,658
Other taxes and licenses	5,358	6,473	6,854	7,477	8,186	8,989	9,672	10,729	11,911	13,300
Unrestricted intergovernmental	2,104	2,415	2,122	2,176	2,859	2,971	2,971	3,028	3,261	3,459
Restricted intergovernmental	2,221	3,667	4,280	3,285	4,341	3,555	4,306	5,617	3,015	3,591
Permits and fees	1,410	1,746	2,515	3,078	4,652	5,945	10,461	10,948	8,749	6,815
Sales and services	3,957	3,055	3,211	3,410	3,691	3,874	4,380	4,629	5,282	5,419
Investment earnings	73	38	32	25	24	95	201	562	1,621	1,244
Miscellaneous	221	648	425	585	413	397	560	848	596	551
<b>Total revenues</b>	<b>\$ 30,072</b>	<b>\$ 33,136</b>	<b>\$ 37,258</b>	<b>\$ 39,077</b>	<b>\$ 43,743</b>	<b>\$ 46,535</b>	<b>\$ 55,546</b>	<b>\$ 61,033</b>	<b>\$ 63,960</b>	<b>\$ 67,037</b>
<b>Expenditures</b>										
General government	\$ 6,510	\$ 6,892	\$ 6,945	\$ 7,636	\$ 8,251	\$ 8,864	\$ 8,688	\$ 9,238	\$ 10,372	\$ 12,352
Public safety	11,202	11,676	12,757	13,462	14,487	15,534	17,173	18,479	18,421	21,377
Public works	1,872	2,255	2,460	1,692	3,578	2,593	5,124	5,727	5,894	6,472
Environmental protection	2,987	3,137	3,177	3,426	3,680	3,887	3,208	3,417	3,898	4,476
Cultural and recreation	2,675	2,792	2,999	3,323	3,555	3,682	3,674	3,884	4,384	4,901
Capital projects	3,989	4,636	5,532	6,855	8,718	6,928	9,994	14,918	8,562	11,502
Debt Service										
Principal	1,652	1,655	1,809	2,134	2,134	2,667	3,028	3,870	2,904	5,926
Interest	1,040	835	882	816	732	817	886	1,012	1,666	1,816
Bond issuance costs	-	-	139	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>\$ 31,927</b>	<b>\$ 33,878</b>	<b>\$ 36,700</b>	<b>\$ 39,344</b>	<b>\$ 45,135</b>	<b>\$ 44,972</b>	<b>\$ 51,775</b>	<b>\$ 60,545</b>	<b>\$ 56,101</b>	<b>\$ 68,822</b>
Excess of revenues over (under) expenditures	(1,855)	(742)	558	(267)	(1,392)	1,563	3,771	488	7,859	(1,785)
<b>Other financing sources (uses)</b>										
Issuance of debt	8,302	502	5,000	-	2,226	4,500	-	6,000	-	-
Payment to refund debt	(8,190)	-	(4,903)	-	(6,421)	-	-	-	-	-
Bonds issued	-	-	6,000	-	6,424	-	-	24,105	-	32,245
Premium on bond issuance	-	-	267	-	-	-	-	1,026	-	4,540
Bond issuance costs	-	-	-	-	-	-	-	-	-	-
Transfers in	331	780	548	-	-	3,729	3,932	4,578	10,567	8,364
Transfers out	(331)	(780)	(548)	(400)	-	(3,804)	(3,932)	(4,578)	(10,567)	(8,364)
<b>Total other financing sources (uses)</b>	<b>112</b>	<b>502</b>	<b>6,364</b>	<b>(400)</b>	<b>2,229</b>	<b>4,425</b>	<b>-</b>	<b>31,131</b>	<b>-</b>	<b>36,785</b>
<b>Special Item</b>										
Legal Settlement	-	-	-	-	-	-	-	-	(699)	-
<b>Net change in fund balances</b>	<b>\$ (1,743)</b>	<b>\$ (240)</b>	<b>\$ 6,922</b>	<b>\$ (667)</b>	<b>\$ 837</b>	<b>\$ 5,988</b>	<b>\$ 3,771</b>	<b>\$ 31,619</b>	<b>\$ 7,160</b>	<b>\$ 35,000</b>
Debt service as a percentage of noncapital expenditures	9.6%	8.5%	9.1%	9.1%	7.9%	9.2%	9.4%	10.7%	9.6%	13.5%

**TOWN OF APEX, NORTH CAROLINA**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**Last Ten Fiscal Years**

Table 6

Fiscal Year Ended June 30	Public Service Property			Motor Vehicles		Other Personal Property		Total Taxable Assessed Value		Tax Rate per \$100 Assessed Value		Estimated Actual Taxable Value		Assessed Value as a Percentage of Actual Value	
	Real Property	Public Service Property	Motor Vehicles	Other Personal Property	Total Taxable Assessed Value	Tax Rate per \$100 Assessed Value	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value							
2011	3,822,880,479	28,566,184	293,770,882	169,973,631	4,315,191,176	.34	4,146,984,435	104.1%							
2012	3,895,366,651	28,331,495	314,564,526	176,398,505	4,414,661,177	.34	4,194,168,725	105.3%							
2013	3,993,835,605	28,357,179	351,764,850	197,998,753	4,571,956,387	.39	4,345,890,221	105.2%							
2014	4,134,621,000	27,413,463	484,815,641	193,348,102	4,840,198,206	.39	4,621,102,309	104.7%							
2015	4,373,110,017	27,414,807	418,989,744	174,630,304	4,994,144,872	.39	5,176,357,789	96.5%							
2016	4,587,815,785	35,243,115	462,157,692	196,820,588	5,282,037,180	.39	5,330,064,454	99.1%							
2017	5,290,258,644	34,099,710	500,589,928	193,783,561	6,018,731,843	.38	6,478,754,334	92.9%							
2018	5,733,300,011	37,843,842	535,295,790	153,617,463	6,460,057,106	.38	7,241,870,744	89.2%							
2019	6,282,148,101	39,532,810	601,268,781	159,347,899	7,082,297,591	.415	8,156,294,807	86.8%							
2020	6,973,692,317	40,304,813	645,542,302	195,572,857	7,855,112,289	.415	7,853,717,829	100.0%							

**TOWN OF APEX, NORTH CAROLINA**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**Last Ten Fiscal Years**  
 June 30, 2020

**Table 7**

Fiscal Year	Town of Apex	Wake County	Combined Tax Rate Per \$100 of Assessed Value
2011	.34	.534	.874
2012	.34	.534	.874
2013	.39	.534	.924
2014	.39	.578	.968
2015	.39	.578	.968
2016	.39	.6145	1.0045
2017	.38	.6005	.9805
2018	.38	.615	.995
2019	.415	.6544	1.069
2020	.415	.7207	.98

**TOWN OF APEX, NORTH CAROLINA**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**Last Ten Fiscal Years**  
 June 30, 2020

**Table 8**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year (Original Levy)	Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Original Levy		Amount	Percentage of Levy
2011	14,724,826	(6,227)	14,718,599	14,598,651	99.2	110,405	14,709,056	99.9
2012	15,080,217	(4,167)	15,076,050	14,946,582	99.1	94,755	15,041,337	99.8
2013	17,819,954	(5,341)	17,814,613	17,681,021	99.3	123,968	17,804,989	99.9
2014	18,937,765	(1,107)	18,936,658	18,869,293	99.6	51,095	18,920,388	99.9
2015	19,525,453	(5,777)	19,519,676	19,482,708	99.8	26,584	19,509,292	99.9
2016	20,668,145	(7,038)	20,661,107	20,645,326	99.9	6,340	20,651,666	100.0
2017	22,979,651	(4,339)	22,975,312	22,953,997	99.9	15,756	22,969,753	100.0
2018	24,666,208	(1,383)	24,664,825	24,631,157	99.9	17,972	24,649,129	99.9
2019	29,496,802	(825)	29,495,977	29,465,485	99.9	12,842	29,478,327	99.9
2020	32,667,306	-	32,667,306	32,603,343	99.8	-	32,603,343	99.8

**TOWN OF APEX, NORTH CAROLINA**  
**PRINCIPAL PROPERTY TAXPAYERS AND ELECTRIC RATEPAYERS**  
**Current Year and Nine Years Ago**

**Table 9**

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
CSP Community Owner LLC	\$ 94,209,277	1	1.20%	\$ 63,317,954	2	0.80%
Beaver Creek Crossings Owner LLC	60,247,793	2	0.76			
CRLP Creekside Hills Drive LLC	34,856,268	3	0.44			
JHG VBS I LLC	34,560,754	4	0.44			
CFK Apex Land Co LLC	33,740,578	5	0.43	19,651,943	9	
G&I IX Lake Cameron LLC	30,025,246	6	0.38			
BELL HNW Exchange Apex LLC	29,981,710	7	0.38			
EMC Corporation	29,696,071	5	0.38	32,529,534	4	
Beaver Creek Crossing LLC	29,013,660	6	0.37			
HH Trinity Apex Investments LLC	29,967,080	10	0.38	29,403,539	6	
DDR 1st Carolina				73,557,324	1	1.70
TRT DDR BeaverCreek				35,149,211	3	0.81
Enterprise Propane Terminals				30,864,626	5	0.72
Metropolitan Development @ Apex LLC				25,936,178	7	0.60
Lake Cameron LLC				23,755,976	8	0.55
Target Corporation				17,022,666	10	0.39
Totals	\$ 406,298,437			\$ 351,188,951		
Total Assessed Valuation =				\$ 7,882,315,357	Total Assessed Valuation = \$ 4,315,191,176	

**TOWN OF APEX, NORTH CAROLINA**  
**PRINCIPAL PROPERTY TAXPAYERS AND ELECTRIC RATEPAYERS**  
**Current Year and Nine Years Ago**

Electric Ratepayer	2020				2011			
	Consumption kWh	Annual Electric Charges	Rank	Percentage of Total Electric	Consumption kWh	Annual Electric Charges	Rank	Percentage of Total Electric Charges
Town of Cary	14,853,800	\$ 724,011	1	1.88%	7,129,141	\$ 850,734	1	2.98%
Wake County Public Schools	6,386,861	425,056	2	1.11	2,734,800	222,767	6	0.78
Harris Teeter	4,629,640	289,633	3	0.75	2,945,320	200,931	9	0.73
Food Lion	3,204,520	185,479	4	0.48	2,647,840	209,883	5	0.68
Lowe's Foods	2,408,960	150,645	5	0.39	2,383,760	194,710	2	0.44
Wake Med Property Services	2,327,280	147,866	6	0.38	1,359,360	126,534	3	0.51
Crossroads Automotive Group	1,725,500	139,018	7	0.36	2,621,680	146,165	8	0.95
Time Warner Cable	1,764,600	136,413	8	0.36	2,645,440	213,905	4	0.75
Lowe's Home Improvement	2,096,800	133,384	9	0.35	2,259,520	191,022	7	0.67
Target Corporation	2,529,000	124,429	10	0.32				
Kroger								
Home Depot								
Totals		\$ 2,455,934				\$ 2,628,855		
Total Sales of Electricity =		\$ 38,410,443				\$ 28,575,570		

**TOWN OF APEX, NORTH CAROLINA**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**Last Ten Fiscal Years**

**Table 10**

Fiscal Year	<u>Governmental Activities</u>		<u>Business-Type Activities</u>			Total Primary Government	Percentage of Personal Income <sup>(1)</sup>	Per Capita
	General Obligation Bonds	Installment Financings	General Obligation Bonds	Installment Financings	Revenue Bonds			
2011	15,903,785	7,815,000	30,000	1,278,264	6,442,250	31,469,299	2.5	824
2012	14,761,094	7,811,652	35,614,283	12,109,011	6,133,000	76,429,040	5.8	1,939
2013	20,518,562	7,143,146	36,778,577	18,417,633	5,716,000	88,573,918	6.2	2,162
2014	19,002,695	6,474,495	36,019,342	18,181,189	5,284,000	84,961,721	5.4	1,980
2015	17,516,827	8,122,600	35,260,105	24,628,745	4,836,000	90,364,277	5.4	1,994
2016	16,030,960	11,390,520	34,500,869	23,945,875	4,372,000	90,240,224	5.1	1,899
2017	14,560,093	9,781,958	33,686,633	22,375,007	3,891,000	84,294,691	4.4	1,702
2018	37,102,347	14,437,103	32,817,396	20,790,138	3,393,000	108,539,984	5.2	2,015
2019	35,139,879	13,393,310	31,888,160	19,305,694	2,877,000	102,604,043	4.5	1,765
2020	67,095,979	12,167,517	30,898,924	17,806,155	12,342,000	140,310,575	4.8%	2,110

Notes:

(1) See Table 14 for personal income data

**TOWN OF APEX, NORTH CAROLINA**  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
**Last Ten Fiscal Years**

**Table 11**

Fiscal Year	General Obligation Bonds	Percentage of Estimated Actual Taxable Value of Property <sup>(1)</sup>	Per Capita <sup>(2)</sup>
2011	15,933,785	0.38%	417
2012	50,375,377	1.20%	1,278
2013	57,297,139	1.32%	1,399
2014	55,022,037	1.19%	1,282
2015	52,776,932	1.02%	1,165
2016	50,531,829	0.95%	1,063
2017	48,246,726	0.74%	974
2018	69,919,743	0.97%	1,298
2019	67,028,039	0.82%	1,153
2020	97,994,903	1.25%	1,474

Notes:

<sup>(1)</sup> See Table 6 for estimated taxable values of property.

<sup>(2)</sup> See Table 14 for estimated population data.

**TOWN OF APEX, NORTH CAROLINA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES BONDED DEBT**  
**As of June 30, 2020**

**Table 12**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>(1)</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes: County Wake County General Obligation Bonds	\$ 1,580,690,000	5.14%	\$ 81,313,257
Town of Apex governmental activities debt			<u>79,263,496</u>
Total direct and overlapping debt			<u><u>\$ 160,576,753</u></u>

Notes:

<sup>(1)</sup> Percentage based on total assessed property values.

**TOWN OF APEX, NORTH CAROLINA**  
**LEGAL DEBT MARGIN INFORMATION**  
**Last Ten Fiscal Years**

(Amounts in Thousands, Except Current Year Calculation)

**Table 13**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt Limit	\$ 345,215	\$ 353,173	\$ 365,756	\$ 387,216	\$ 399,531	\$ 422,562	\$ 481,498	\$ 516,805	\$ 566,584	\$ 630,585
Total net debt applicable to limit	\$ 23,860	\$ 22,710	\$ 26,993	\$ 25,477	\$ 25,639	\$ 27,421	\$ 24,342	\$ 51,540	\$ 48,533	\$ 79,263
Legal debt margin	\$ 321,355	\$ 330,463	\$ 338,763	\$ 361,739	\$ 373,892	\$ 395,141	\$ 457,156	\$ 465,265	\$ 515,044	\$ 551,322
Total net debt applicable to the limit as a percentage of debt limit	6.91%	6.43%	7.38%	6.58%	6.42%	6.49%	5.06%	9.97%	9.10%	12.57%

**Legal Debt Margin Calculation for Fiscal Year 2020**

Assessed value	\$ 7,885,112,289
Debt limit - 8% of assessed value	630,808,983
Total debt applicable to limit	79,263,496
Legal debt margin	\$ 551,545,487

**TOWN OF APEX, NORTH CAROLINA  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
Last Ten Fiscal Years**

**Table 14**

Fiscal Year	Population (1)	Personal Income (000's)	Per Capita Personal Income (1) (2)	Unemployment Rate (3)
2011	38,180	1,266,507	33,172	6.3
2012	39,412	1,321,445	33,529	5.8
2013	40,970	1,465,538	35,771	5.4
2014	42,920	1,570,597	36,594	5.1
2015	45,317	1,676,820	37,002	4.0
2016	47,525	1,848,057	38,886	3.5
2017	49,541	1,926,451	38,886	3.2
2018	53,862	2,094,478	38,886	2.9
2019	58,135	2,544,511	43,769	3.3
2020	66,500	2,902,659	43,649	5.2

Notes:

- (1) Town of Apex Planning Department.
- (2) Apex Chamber of Commerce demographics, Bureau of Economic Analysis Apex and US Census Bureau. Information for 2017-2019 not available.
- (3) North Carolina Department of Commerce - Department of Employment Security.

**TOWN OF APEX, NORTH CAROLINA**  
**PRINCIPAL EMPLOYERS**  
Current Year and Nine Years Ago

**Table 15**

Taxpayer	2020			2011		
	Estimated Number of Employees (1)	Rank	Percentage of Total Town Employment	Estimated Number of Employees (1)	Rank	Percentage of Total Town Employment
Wake County Public Schools	1779	1	6.90%	900	1	4.82%
Town of Apex	506	2	1.96%	316	5	1.69%
Dell Technologies Inc	500	3	1.94%			0.00%
Apex Tool Group	425	4	1.65%			0.00%
Bland Landscaping	325	5	1.26%	168	7	
Costco	290	6	1.13%			
ATI Industrial Automation	275	7	1.07%			
Super Target	250	9	0.97%	329	3	1.76%
WalMart	243	8	0.94%	225	6	1.20%
Lowe's Home Improvement	220	10	0.85%			
Cooper Industries (Lufkin)				363	2	1.94%
EMC Corp.				322	4	1.72%
Tipper Tie				137	8	0.73%
NC Department of Corrections				127	9	0.68%
Rex Healthcare				125	10	0.67%
Totals	4,813			3,012		
Total Employed in Apex (2)	25,771			18,688		

Notes:

- (1) Estimated employees by taxpayer based on Town of Apex, Economic Development and employer verification - Town's Finance Department.
- (2) Total employed in Apex from Employment Security Commission "Local Area Unemployment Statistics" or LAUS.

**TOWN OF APEX, NORTH CAROLINA**  
**EMPLOYEE POSITION AUTHORIZATION BY DEPARTMENT <sup>(1) (2)</sup>**  
**Last Ten Fiscal Years**  
June 30, 2020

**Table 16**

Fiscal Year	Admin- istration	Planning	Public Safety <sup>(3)</sup>	Streets	Public Works	Parks & Recreation
2011	37	12	136	8	4	20
2012	37	12	140	9	2	20
2013	38	12	148	10	2	21
2014	39	15	147	10	2	24
2015	40	16	156	11	5	24
2016	41	16	158	11	5	24
2017	47	17	188	13	7	27
2018	45	17	195	18	8	28
2019	49	18	193	19	8	35
2020	51	19	211	20	8	36

Notes:

- <sup>(1)</sup> Permanent employees only, does not include temporary or seasonal employees.
- <sup>(2)</sup> Authorized employee positions provided by HR and Budgets.
- <sup>(3)</sup> Effective July 1, 2018 Apex EMS transferred to Wake County.

Fleet & Facilities	Environmental Protection/ Water Resources	Water/ Sewer	Electric	Construction Management	Year Total
7	16	31	25	20	316
7	16	32	27	21	323
7	16	34	29	22	339
8	16	35	29	23	348
8	17	34	28	24	363
8	17	34	28	24	366
10	17	34	32	19	411
11	31	37	34	19	443
10	35	44	35	21	467
11	39	43	38	22	498

**TOWN OF APEX, NORTH CAROLINA  
OPERATING INDICATORS BY FUNCTION  
Last Ten Fiscal Years**

**Table 17**

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Police</b>										
Physical arrests	746	639	758	516	504	464	484	484	682	650
Parking violations	124	216	193	215	235	256	426	394	529	341
Traffic violations	8,004	5,882	5,787	7,074	6,047	6,904	8,169	7,414	7,051	6,807
<b>Fire</b>										
Number of calls answered	2,433	2,214	2,567	2,635	2,881	2,822	3,009	3,034	3,972	3,503
<b>Highways and streets</b>										
Street resurfacing (miles)	0.9	3.8	8.6	0	9.9	0.0	20.1	22.2	2.6	4.3
<b>Environmental Protection</b>										
Number of households served	11,432	11,717	12,036	12,476	13,689	14,604	15,445	16,257	17,838	19,581
Solid waste collected (tons/day)	31.73	28.71	29.77	27.06	30.62	32.68	34.89	37.71	41.58	43.12
Recyclables collected (tons/day)	9.98	7.47	7.62	8.53	9.91	11.03	10.82	10.89	11.62	13.17
Mulching and composting (tons/day)	13.55	15.16	17.01	15.71	16.80	17.92	17.89	16.71	21.54	19.22
<b>Cultural and recreation</b>										
Number of program/activity participants	40,919	42,731	45,709	49,022	59,808	63,396	60,958	63,978	62,896	48,329
<b>Water</b>										
Number of customers	13,251	13,587	14,042	14,103	14,770	15,459	17,209	18,697	20,423	22,317
Average daily consumption (millions of gallons)	2.86	2.95	2.81	3.08	3.3	3.37	3.58	3.79	3.75	4.16
<b>Wastewater</b>										
Number of customers	12,771	13,071	13,240	13,840	14,485	15,207	16,949	18,431	20,156	22,031
Average daily sewage treatment (millions of gallons)	2.26	2.32	2.72	2.78	2.68	2.79	2.85	3.38	3.86	3.72
<b>Electric</b>										
Number of customers	14,109	14,540	15,389	16,016	16,682	17,314	18,936	20,363	22,269	24,440
Average daily consumption (kilowatt-hours)	710,423	765,975	744,098	780,614	833,966	846,098	877,824	939,159	969,098	1,004,896

Source: Town of Apex - Finance, Police, Fire, Parks & Recreation, and Public Works departments

**TOWN OF APEX, NORTH CAROLINA  
CAPITAL ASSET STATISTICS BY FUNCTION  
Last Ten Fiscal Years**

**Table 18**

Function	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	
Public safety										
Police										
Stations	1	1	1	1	1	1	2	2	3	
Patrol Units	45	47	50	80	80	81	82	88	96	
K-9 Units	0	0	0	1	1	2	2	2	2	
Fire stations	4	4	4	4	4	4	5	5	5	
Streets										
Streets (miles)	122.29	127.12	129.15	140.04	151.04	171.14	193.14	207.17	215.64	
Streetlights	2,465	2,582	2,713	2,775	2,846	3,391	3,479	3,914	4,091	
Parks and Recreation										
Parks acreage	452.51	452.51	452.51	544.51	544.51	544.51	558	618.28	618.28	
Parks	9	9	9	10	10	10	11	11	13	
Tennis courts (Adult & Youth)	8	8	8	15	15	15	15	15	15	
Community centers	1	1	1	1	1	1	1	1	1	
Cultural Arts Center	1	1	1	1	1	1	1	1	1	
Lakes	1	1	1	1	1	1	1	1	1	
Water										
Water lines (miles)	170	170	182	194	215	269	293	310	318	
Maximum daily treatment capacity (millions of gallons)	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	
Electric										
Number of delivery points (substations)	3	3	3	3	3	3	3	3	3	
Miles of service lines <sup>(1)</sup>	315	355	355	537	569	569	681	764	787	
Sewer										
Sanitary sewer lines (miles)	186.5	189	189	207	239	249	280	296	303	
Maximum daily treatment capacity (millions of gallons)	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	

Sources:

Town of Apex - Finance, Police, Fire, Parks and Recreation, and Public Works departments.

Notes:

<sup>(1)</sup> Beginning 2014, information based on current GIS records.



# **COMPLIANCE SECTION**



**Report on Internal Control over Financial Reporting and On Compliance and Other Matters  
Based on an Audit of Financial Statements Performed in  
Accordance with *Government Auditing Standards***

**Independent Auditor's Report**

To the Honorable Mayor and  
Members of the Town Council  
Town of Apex, 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 accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Apex, North Carolina, as of and for the year ended June 30, 2020 and the related notes to the financial statements, which collectively comprises the Town of Apex's basic financial statements and have issued our report thereon dated December 3, 2020.

**Internal Control Over Financial Reporting**

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses that we consider to be a significant deficiency. (Item 2020-1)

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town of Apex's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, n 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 result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Joyce and Company, CPA*  
JOYCE AND COMPANY, CPA  
Cary, North Carolina

December 3, 2020

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

**Independent Auditor's Report**

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

**Report on Compliance for the Major Federal Programs**

We have audited the Town of Apex, 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 the Town of Apex's major federal program for the year ended June 30, 2020. The Town of Apex's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

**Auditor's Responsibility**

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

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

**Opinion on the Major State Program**

In our opinion, the Town of Apex complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2020.

**Report on Internal Control Over Compliance**

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

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

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

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.

*Joyce and Company, PA*  
JOYCE AND COMPANY, CPA  
Cary, North Carolina

December 3, 2020

**Report on Compliance for the Major State Program;  
Report on Internal Control Over Compliance in Accordance with OMB Uniform Guidance  
and the State Single Audit Implementation Act**

**Independent Auditor's Report**

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

**Report on Compliance for the Major State Program**

We have audited the Town of Apex, North Carolina, compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on the Town of Apex's major state program for the year ended June 30, 2020. The Town of Apex's major state program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state program.

**Auditor's Responsibility**

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

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

**Opinion on the Major State Program**

In our opinion, the Town of Apex complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major state program for the year ended June 30, 2020.

**Report on Internal Control Over Compliance**

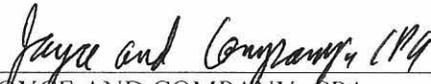
Management of the Town of Apex is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and

performing our audit of compliance, we considered the Town of Apex's internal control over compliance with the types of requirements that could have a direct and material effect on a major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or 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 the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

  
JOYCE AND COMPANY, CPA  
Cary, North Carolina

December 3, 2020

Town of Apex, North Carolina  
**Schedule of Findings and Questioned Costs**

For the year ended June 30, 2020

**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?   X   yes    \_\_\_\_\_ none reported

Noncompliance material to financial statement 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 state program: Unmodified

Identification of major federal programs:

<u>CFDA No(s)</u>	<u>Names of Federal Program or Cluster</u>
20.205	Highway Planning and Construction Grant
14.228-2	Community Development Block Grant

**State Awards**

Internal control over major state program:

- 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 program: Unmodified

Identification of major state program: Powell Bill

**Section II. Financial Statement Findings**

**Significant Deficiency (Item 2020-1)**

<u>Criteria</u>	Town has a system to review financial statements and associated items on an ongoing basis to verify that all amounts are properly stated.
<u>Condition</u>	There were instances where invoices were not recorded in a timely manner, where accounts were not fully reconciled and where adjustments were not recorded in a timely manner.
<u>Effect</u>	Financial statements could be materially misstated and not be detected and corrected.

Cause Lack of complete review of monthly and year-end financial statements, subledgers and account reconciliations by staff.

Recommendation We recommend that management complete a thorough review of all financial statement accounts on a monthly basis and that any corrections, journal entries, etc. be posted at that time to accurately state the financial position and operations of the Town.

Name of Contact Person Vance Holloman, Finance Officer

Corrective Action We will continue to work with department heads to be certain invoices are promptly submitted to Finance for payment. Our efforts to do so for the fiscal year ended June 30, 2020 were hindered by COVID 19. Procedures for recording internal service fund and electronic payables program transactions will be reviewed. We will work with our software provider to improve our procedures for utility account reconciliations.

Proposed Completion Date January 31, 2021

**Section III. Federal Award Findings and Questioned Costs**

None reported

**Section IV. State Award Findings and Questioned Costs**

None reported

**TOWN OF APEX, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

For the fiscal year ended June 30, 2020

**Schedule 23**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass - Through/State Grantor's Number	Federal (Direct and Pass-Through) Expenditures	State Expenditures	Pass-Through to Subrecipients	Local Expenditures
<b>FEDERAL GRANTS:</b>						
<u>US Department of Transportation</u>						
Passed through NC Department of Transportation						
<i>Highway Planning and Construction</i>	20.205	WBS Element 44111.3.19	\$ 318,757	\$ -	\$ -	\$ 136,610
<i>Highway Planning and Construction</i>	20.205	WBS Element 44112.1.F1	126,608	-	-	54,261
<i>Highway Planning and Construction</i>	20.205	WBS Element 43714.2.14	16,048	-	-	6,878
<i>Total Highway Planning and Construction</i>			<u>461,413</u>	<u>-</u>	<u>-</u>	<u>197,749</u>
<u>US Department of Transportation</u>						
Passed through NC Department of Transportation						
<i>Governor's Highway Safety Program</i>	20.600	WBS Element 22020.2.11	63,563	-	-	21,188
<u>US Department of Housing and Urban Development</u>						
Passed through Wake County						
<i>Community Development Block Grant</i>	14.228-2	CT 12493	330,000	-	-	-
<u>US Department of Interior</u>						
Passed through NC Department of Natural and Cultural Resources						
<i>Outdoor Recreation - Acquisition, Planning and Development</i>	15.916	37-01046	150,000	-	-	194,757
<u>US Department of Treasury</u>						
Passed through Wake County						
<i>Coronavirus Relief Fund</i>	21.019		33,455	-	-	11,152
<u>US Department of Justice</u>						
Bureau of Justice Assistance						
<i>Bullet Proof Vest Partnership Program</i>	16.607		9,305	-	-	9,305
Total assistance-federal programs			<u>1,047,736</u>	<u>-</u>	<u>-</u>	<u>434,151</u>
<b>STATE GRANT:</b>						
<u>NC Department of Transportation</u>						
<i>Powell Bill Fund</i>	N/A	32570	-	1,354,536	-	-
<u>NC Office of State Budget and Management</u>						
<i>Multi-use Path</i>	N/A	5866-C	-	50,000	-	-
Total assistance-state programs			<u>-</u>	<u>1,404,536</u>	<u>-</u>	<u>-</u>
Total assistance			<u>\$ 1,047,736</u>	<u>\$ 1,404,536</u>	<u>\$ -</u>	<u>\$ 434,151</u>

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

*Basis of Presentation* - The accompanying schedule of expenditures of federal and state awards includes the federal and state grant activity of the Town of Apex under the programs of the federal government and the State of North Carolina for the year ended June 30, 2020. The information in this schedule 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 Town of Apex, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Town of Apex.

*Summary of Significant Accounting Policies* - The accompanying schedule of expenditures of federal and state awards is presented 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.

*Indirect Cost Rate* - The Town of Apex has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

*Outdoor Recreation - Acquisition, Planning and Development* - Expenditures for this project were incurred in a prior year but were not approved by the grantor agency until the current fiscal year.

*Coronavirus Relief Funds* - The Town of Apex received \$41,341 of funding from the Coronavirus Relief Fund (21.019) from Wake County in accordance with HB 1043 and HB 1023. The Town of Apex has a plan to spend these funds approved by OSBM. According to the Office of State Budget and Management, the State's pass-through agency, municipalities are considered subrecipients of the Counties; however, municipalities are not liable to the County for any misused or misspent funds. CRF must be spent during the period March 1, 2020 to December 30, 2020.

# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: CONSENT AGENDA  
Meeting Date: December 15, 2020

## Item Details

Presenter(s): Donna Hosch, Town Clerk  
Department(s): Office of the Town Clerk

### Requested Motion

Motion to approve Minutes of the November 4, 2020 Regular Council Meeting, the November 17, 2020 Regular Council Meeting, the November 24, 2020 Special Council Meeting, and the December 1, 2020 Regular Council Meeting

### Approval Recommended?

Yes

### Item Details

### Attachments

- November 4, 2020 Meeting Minutes
- November 17, 2020 Meeting Minutes
- November 24, 2020 Special Meeting Minutes
- December 1, 2020 Meeting Minutes





# REGULAR TOWN COUNCIL MEETING

Wednesday, November 04, 2020 at 6:00 PM  
Council Chamber at Apex Town Hall, 73 Hunter Street

## Council and Administration

Mayor: Jacques K. Gilbert | Mayor Pro Tem: Nicole L. Dozier

Council Members: Brett D. Gantt; Audra M. Killingsworth; Cheryl F. Stallings; Terry Mahaffey

Town Manager: Drew Havens | Assistant Town Managers: Shawn Purvis and Marty Stone

Town Clerk: Donna B. Hosch, MMC | Town Attorney: Laurie L. Hohe

In attendance were Mayor Jacques K. Gilbert, Mayor Pro Tem Nicole L. Dozier, and Council Members Audra M. Killingsworth, Brett D. Gantt Cheryl F. Stallings, and Terry Mahaffey. Also in attendance was Town Manager Drew Havens, Assistant Town Manager Shawn Purvis, Town Clerk Donna B. Hosch, and Town Attorney Laurie L. Hohe.

## COMMENCEMENT

Mayor Gilbert called the meeting to order, gave the Invocation, and led the Pledge of Allegiance.

Mayor Gilbert asked all staff members in attendance to stand and be recognized; they were applauded. The Mayor stated that staff is not always recognized for all they do for the Town.

Mayor Gilbert and all Council Members shared in the reading of a Proclamation recognizing Small Business Saturday in Apex.

## PRESENTATIONS

P1 Jacoby and Tayon Dancy, Event Organizers

Presentation of proposed events to commemorate the Martin Luther King, Jr. holiday in 2021

Ms. Dancy outlined the events which she and her husband tentatively planned for this holiday. It involves three days of events at several locations within the Town. Municipalities surrounding Apex participate in the holiday, and Ms. Dancy was glad to participate in such for Apex. Council stated she wondered why Apex had been participating with events in the past and thanked Ms. Dancy for her participation.

CONSENT AGENDA

- CN1 Donna Hosch, Town Clerk  
Minutes of the October 6, 2020 Regular Council Meeting
- CN2 Donna Hosch, Town Clerk  
Apex Tax Report dated September 7, 2020
- CN3 Amanda Bunce, Current Planning Manager  
Statement of the Town Council and Ordinance for Rezoning Case #20CZ10 109 Holleman Street, Charles Duane Taylor, Jr and Sherry Bailey Taylor, petitioners for the property located at 109 Holleman Street
- CN4 Shelly Mayo, Planner II  
Resolution Directing the Town Clerk to Investigate Petition Received, Certificate of Sufficiency by the Town Clerk, and Resolution Setting Date of Public Hearing for November 17, 2020 on the Question of Annexation – Apex Town Council's intent to annex Florence S. Morrison Family Living Trust (Holleman Hills South) properties containing 10.16 acres located at 5131 and 5145 Church Road, Annexation #696 into the Town's corporate limits
- CN5 Shelly Mayo, Planner II  
Set the Public Hearing for the November 17, 2020 Town Council meeting regarding Rezoning Application #20CZ09 Holleman Hills South and Ordinance. The applicant, Alonzo Wilson, sought to rezone approximately 10.16 acres from Wake County R-30 to Medium Density-Conditional Zoning (MD-CZ). The proposed rezoning is located at 5131 and 5145 Church Road.
- CN6 Amanda Bunce, Current Planning Manager  
Set the Public Hearing for the November 17, 2020 Town Council meeting regarding various amendments to the Unified Development Ordinance
- CN7 Adam Stephenson, Engineering Supervisor  
Set the Public Hearing for the November 17, 2020 Town Council meeting regarding amendments to the Unified Development Ordinance related to the Flood Damage Prevention Overlay District
- CN8 Jose Martinez, Director  
Approval of and authorization for the Town Manager to execute the same for an Encroachment Agreement between the Town and property owners, Brett Davidson and wife, Lisa A. Davidson (Grantees), regarding Wake County, NC PIN#0722-85-8381, 102 Duncroft Court, as recorded in Book of Maps 2001, Page 1251, Wake County Register of Deeds
- CN9 Mitch McKinney, Deputy Chief of Police  
Appropriation of funds received from an insurance reimbursement in the Apex Police Department Capital Outlay Account of the General Fund
- CN10 John Letteney, Chief of Police

Approval of IntelliComm Contract

CN11 Joanna Helms, Economic Development Director

Set the public hearing for the November 17, 2020 Town Council meeting to consider and receive public input on providing an economic development incentive for "Project Protein" in accordance with the Town's policy (Development Investment Grant)

Mayor Gilbert stated there was an amendment to the language for Consent 09 and read the revised wording.

Mayor Gilbert called for a motion to adopt the Consent Agenda. Council Member Killingsworth made the motion with the amended wording to Consent 09; Council Member Dozier seconded the motion.

The motion carried by a 5-0 vote.

REGULAR MEETING AGENDA

Mayor Gilbert called for a motion to adopt the Regular Meeting Agenda. Council Member Gantt made the motion; Council Member Dozier seconded the motion.

The motion carried by a 5-0 vote.

PUBLIC FORUM

No one in attendance wished to speak.

Played was a recorded comment from Jayashree Patel asking if the Town had plans to expand sidewalks and roads resulting from the development of homes. On some roads, if a car breaks down, there is nowhere to pull over which is very risky at night time.

PUBLIC HEARINGS

PH1 Dianne Khin, Director of Planning and Community Development

Public hearing and possible motion to adopt an Ordinance on the Question of Annexation – Apex Town Council's intent to annex MFW Investments, LLC (Colby Crossing) property containing 7.578 acres located along a portion of the future connection of Colby Chase Drive between Merion and Pemberley subdivisions, Annexation #651 into the Town's corporate limits.

Staff stated that the developer requested this annexation be continued to the December 15, 2020 Regular Council Meeting. This was the second request to continue. If the matter was not ready to go before Council in December, the developer would need to start the process all over again.

Mayor Gilbert called for a motion. Council Member Mahaffey made the motion to continue as requested; Council Member Gantt seconded the motion.

The motion carried by a 5-0 vote.

PH2 Dianne Khin, Director of Planning and Community Development  
Public hearing and possible motion to adopt an Ordinance on the Question of Annexation – Apex Town Council's intent to annex Kimberly & Loomis Horton, III, Mary Elizabeth Horton, Dwight Marvin Wright, MFW Investments, LLC, and MFWIRA, LLC (Horton Park PUD) properties containing 101.356 acres located at 8140, 8252, 8306, and 8308 Smith Road; 0 East Williams Street; 0, 0, 0, 0, & 0 Dezola Street; and 5220 Jessie Drive, Annexation #687 into the Town's corporate limits.

Staff stated that the developer requested this annexation be continued to the December 15, 2020 Regular Council Meeting. This was the second request to continue. If the matter was not ready to go before Council in December, the developer would need to start the process all over again.

Mayor Gilbert called for a motion. Council Member Mahaffey made the motion to continue as requested; Council Member Gantt seconded the motion.

The motion carried by a 5-0 vote.

PH3 Dianne Khin, Director of Planning and Community Development  
Ordinance on the Question of Annexation – Apex Town Council's intent to annex Lecter Marie Atwater, Donna M. Atwater and Jerome Kenneth Atwater HEIRS (Kings Grant) property containing 11.275 acres located at 2504, 2508, 2512, 2516 and 2600 Mt. Zion Church Road, Annexation #693 into the Town's corporate limits

Staff oriented Council to the site. Staff recommended approval of the request.

Mayor Gilbert declared the Public Hearing open. With no one wishing to speak, Mayor Gilbert declared the Public Hearing closed.

Mayor Gilbert called for a motion. Council Member Killingsworth made the motion to adopt the Ordinance; Council Member Dozier seconded the motion.

The motion carried by a 5-0 vote.

*An audio recording of the following Quasi-Judicial Public Hearing made by the Town Clerk is incorporated into these Minutes by reference. The audio recording or transcript of the Hearing should be used as the verbatim record of the questions, testimonies, evidentiary rulings, and discussions that occurred at the Quasi-Judicial Hearing.*

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PH4 Shelly Mayo, Planner II

Quasi-Judicial Public Hearing regarding a Major Site Plan for Apex Friendship Elementary School located at 7901 Humie Olive Road.

Mayor Gilbert read an opening statement explaining the process by which this Hearing would proceed.

Council Member Mahaffey asked to be recused because of being related to a member of the governing body of the applicant.

All Council Members were in agreement with Council Member Mahaffey being recused. Council Member Mahaffey left the dais.

All those wishing to speak were sworn in by the Town Clerk.

Kenneth Haywood, attorney with Howard Stallings Law Firm, identified himself as being present on behalf of the applicant, the Wake County Board of Education. Those in support of the project identified themselves: Bob Williams, Boomerang Design, design firm for the school; Alice Reese, CLH Design, architects for the project; Josh Renke, Ramey Kemp & Associates, Traffic Engineer; and Shane Webster, Wake County Public Schools, Sr. Facility Planner. There was no one in opposition of the project.

In response to question from the Mayor, all Council Members stated they had not had any communications with the applicant, there were no relational or financial conflicts, and that all could be impartial in their decisions. No Council Member had viewed the site.

OPENING STATEMENT BY STAFF: Shelly Mayo, Planner II, stated her credentials. She oriented Council to the site. A virtual neighborhood meeting was held. Details of a sewer easement were outlined, and the applicant would pay half of a fee in lieu which the applicant and staff felt was fair.

Responding to Council, staff explained coordination between the school and Friendship Station and spoke about the school's size. She explained why the school wished to build a school larger than originally planned. Staff thought this a much better use of and fit for the resources.

Responding to Council about a communications device on the roof, staff stated Wake County has agreed to put these in all new schools.

OPENING STATEMENT BY APPLICANT: Mr. Haywood stated they were excited to work with the adjacent property owner to acquire the additional property for this larger school. He re-identified the members of his team.

Alice Reese identified herself and stated her credentials. She answered introductory questions from Mr. Haywood. She presented an overview of the school campus and showed pictures of the site plan changes.

Bob Williams spoke about the aesthetics and flow of the buildings. Responding to Council, he spoke about the features of the building which enhance safety for students as well as an area for resources, i.e., food pantries which are being programmed into future schools. Mr. Williams stated his credentials.

Mr. Haywood stated they were not aware of any transportation issues. To answer question from Council, Mr. Renke identified himself and stated his credentials. He spoke about a traffic impact analysis which had been updated, the staggering of school start times, and intersection signals.

CLOSING ARGUMENTS FROM APPLICANT: Mr. Haywood highlighted several factors in the staff report. He stated all standards had been met and requested approval of the major site plan based on testimony. There was no one present in opposition, and no testimony had been challenged. Mr. Haywood stated he appreciated the report done by staff and working with them on this project.

CLOSING ARGUMENTS FROM STAFF: None.

The Mayor asked Council to review their checklist for clarity. Mr. Webster presented his credentials and responded to Council question about communication boosters. They are pretty much standard and are on all their schools.

Mayor Gilbert declared the Public Hearing closed.

Mayor Gilbert called for a motion. Council Member Killingsworth made the motion to approve the Plan; Council Member Dozier seconded the motion.

The motion carried by a 4-0 vote.

Council Member Mahaffey returned to the dais.

OLD BUSINESS

OBI Colleen Merays, Downtown and Small Business Development Coordinator  
Extend current Parking-to-Dining Program layout adopted by Town Council on October 17, 2020 until a date selected by Town Council, and to allow for extended outdoor dining and alcohol consumption as permitted by ABC Law or regulations, and to extend the ordinance temporarily modifying Town Code Sections 14-14 and 18-11 as they relate to sidewalk dining and alcohol consumption on public streets and sidewalks through same date as selected by Town Council.

Staff stated this was a continuance of the discussion from the last time Council met. She asked if Council wished to end the Program on November 8<sup>th</sup>. There was forecasted a good weather week coming up. Holiday decorations would be going up on November 16<sup>th</sup>. Staff recommended an extension only to the 15<sup>th</sup> so as not to impede with the latter.

Responding to Council, staff stated that Phase III would still impact restrictions in restaurants. She had not seen any issues with parking. Some retail wanted to see the extension end earlier. This was a balancing act. Staff spoke about the effects of the cold weather on people eating outside and what businesses could potentially do when this Program goes away. Discussions with the ADBA would continue.

Council stated support for an extension to the 15<sup>th</sup>. He gave his thoughts as to each phase and asked how the Town could remain involved to help the businesses, i.e., utility offsets, a grant program to help mitigate the costs of COVID. In the Spring, maybe we could bring back Parking-to-Dining.

Council agreed with the 15<sup>th</sup> date. He asked, however, are we thinking bigger – i.e., January 1<sup>st</sup> to March 31<sup>st</sup> having the street closed and putting up a tent which could be used by the businesses. Hopefully something could be discussed with the ADBA. Council, in response, was not opposed to talking about any idea. No one has gone through a pandemic winter, and maybe something could be extended to all restaurants, not just the ones on Salem Street.

Council agreed with the 15<sup>th</sup>; we need to think big. Perhaps we could make a recommendation to the ADBA and other stakeholders as to what this would look like. Our staff would need to think about this also.

Mayor Gilbert called for a motion. Council Member Mahaffey made the motion to approve the extension as requested to the 15<sup>th</sup> and to look forward to hearing from our stakeholders regarding this winter phase; Council Member Dozier seconded the motion.

Conversation ensued about a grant program. Staff will outline such for the upcoming meeting.

The motion carried by a 5-0 vote.

UNFINISHED BUSINESS

There were no Unfinished Business items for consideration.

NEW BUSINESS

NB1 Council Members Audra Killingsworth and Nicole Dozier  
Town sponsorship and funding for Martin Luther King, Jr. celebration events in 2021 in the amount of \$3,300.00

Council stated she was excited to see this, and she was glad the Mayor Pro Tem was interested in participating. The amount requested during Presentations was acceptable.

Council stated this would commemorate the spirit of Martin Luther King and the collaborative spirit of the community. She appreciated the flexibility in the proposal recognizing the uncertainties of COVID. She spoke about how the proposed events would be morale builders for our youth.

Council Member Dozier made the motion to approve the funding as requested;  
Council Member Killingsworth seconded the motion.

Council stated she was excited to see this and glad we are moving forward. She appreciated the Dancy's mapping out the program. It also fits in with our strategic goals of a healthy and engaged community and inclusion and diversity.

The Mayor stated he was glad to see this also, as the past year he went to events in Holly Springs because there was nothing in Apex. This was something we can build on, his wanting to see a parade. The Mayor thanked Council for bringing this forward.

The motion carried by a 5-0 vote.

The Meeting moved to Training Room A for the Work Session and Closed Session.

WORK SESSION

WS1 Shannon Cox, Russell Dalton, Vance Holloman, Amanda Grogan

Information regarding cost and timing of transportation projects and existing debt capacity in order to consider possible financing options to fund transportation projects

Staff stated the purpose of the meeting was to make updates to projects and CIP requests. There would be an overview on the roadway, transit, bicycle and pedestrian plans and other projects.

TRANSPORTATION CIP UPDATES AND REQUESTS

Non-Roadway Projects

Wayfinding Signage Fabrication and Install : staff stated the wayfinding program would be phased over five years for a cost of \$1.2 million. An overview of the various phases was given.

Tingen Road Pedestrian Bridge : staff stated we tried to get a crossing here, but it is not allowed by CSX. Therefore, staff wanted Council to consider a pedestrian bridge in this location. We would want to do a study first and then move into design and construction. This project may be good for potential grant funding. Conversation ensued on how much a bridge would be used, why CSX rejected a crossing, and what facts we can present for the need for a crossing and how we might get them to reconsider.

Center Street Railroad Crossing Improvement and Sidewalk : staff gave an overview of the project and stated there may be an opportunity for grant funding.

Chatham Street Railroad Crossing Improvement and Sidewalk : staff stated we would want to do this project at the same time as the previous one in order to receive funding. Responding to Council, staff answered grant questions.

NCDOT Projects Participation : staff overviewed three future projects.

Major Projects

Pavement Management Backlog : staff stated this will help to maintain street conditions. We have identified funding to help catch up.

Cash Corporate Center : staff talked about access needs into and out of the Center and provided cost estimates. Responding to Council, staff spoke about possible upgrades, stating we are not proposing any upgrades.

Jessie Drive Extension and Improvement : staff explained the project. Council asked should we get this done pretty soon, and staff spoke about how that would help. Conversation ensued about Jessie Drive connecting to crappy streets and the number of roadway lanes.

Davis Drive Realignment and Widening : staff stated we were asked for an extension of the roadway. We are proposing a study to make sure of what we're doing. We want to look at improvement options vs. a full upgrade.

Apex Peakway Southeast Connector : staff stated we have done a feasibility study. The next phase is the final design.

Apex Peakway North Widening : staff stated this roadway is very busy, and DOT is looking at adding a turn lane. Even with DOT budget issues, they plan to continue forward.

Staff presented an overview of active projects. The oldest projects are moving forward. Staff reviewed each of the six active projects.

The Town Manager asked Council to clarify shifting funds to projects which are more important and for LAPP funding as previously discussed.

#### DEBT CAPACITY

Staff gave an update on debt capacity and tax supported debt. Responding to Council, staff stated money is open to a variety of projects as long as they fit the definition of streets and sidewalks.

Staff stated he wished for Council to meet again to further discuss this subject. Council stated they would meet in a work session again in two weeks.

#### CLOSED SESSION

CS1 Laurie Hohe, Town Attorney

Possible motion to go into closed session to consult with the Town Attorney pursuant to NCGS 143-318.11(a)(3)

Mayor Gilbert called for a motion to go into Closed Session. Council Member Killingsworth made the motion; Council Member Stallings seconded the motion.

The motion carried by a 5-0 vote.

Mayor Gilbert called for a motion to return to Open Session. Council Member Stallings made the motion; Council Member Killingsworth seconded the motion.  
The motion carried by a 5-0 vote.

ADJOURNMENT

With there being no further business and without objection from Council, Mayor Gilbert adjourned the meeting.

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Donna B. Hosch, MMC, Town Clerk

ATTEST:

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Jacques K. Gilbert, Mayor



# REGULAR TOWN COUNCIL MEETING

Tuesday, November 17, 2020 at 6:00 PM

Council Chamber at Apex Town Hall, 73 Hunter Street

## Council and Administration

Mayor: Jacques K. Gilbert | Mayor Pro Tem: Nicole L. Dozier

Council Members: Brett D. Gantt; Audra M. Killingsworth; Cheryl F. Stallings; Terry Mahaffey

Town Manager: Drew Havens | Assistant Town Managers: Shawn Purvis and Marty Stone

Town Clerk: Donna B. Hosch, MMC | Town Attorney: Laurie L. Hohe

In attendance were Mayor Jacques K. Gilbert, Mayor Pro Tem Nicole L. Dozier, and Council Members Audra M. Killingsworth, Brett D. Gantt, Cheryl F. Stallings, and Terry Mahaffey. Also in attendance were Town Manager Drew Havens, Assistant Town Manager Shawn Purvis, Town Clerk Donna B. Hosch (remotely), and Town Attorney Laurie L. Hohe.

## COMMENCEMENT

Mayor Gilbert called the meeting to order. Following statement from himself, he asked Council Members to express thoughts of what they were thankful for. He led the Pledge of Allegiance.

## PRESENTATIONS

PR1 Mayor Jacques Gilbert

Presentation to Police Officer Steven LaFemina

Mayor Gilbert stated this presentation meant so much to him because it told the story of what policing should be about – compassion. Many police officers in Apex and across the nation sacrifice their lives to protect the public. The Mayor stated it was important to recognize the men and women of our community who put people first.

Mayor Gilbert told the story of a friend whose life was saved because of the good work of a police officer. He stated circumstances of his friend's life, stating that everyone's life in the community means something and everyone should be treated with dignity and respect. Mayor Gilbert outlined how Officer LaFemina saved the life of his friend. He also stated that Officer LaFemina saved another life in months prior.

Mayor Gilbert called Officer LaFemina, his wife, and son to come forward. He read the first section of the Award of Commendation. He stated that his friend stated he was thankful for the actions of Officer LaFemina.

Mayor Gilbert read the second section of the Award stating that in another instance, Officer LaFemina gave CPR to a resident which saved his life. Mayor Gilbert presented the Award.

Mayor Gilbert additionally recognized Lt. Tom Parady who put the Narcan program together.

Mayor Gilbert then recognized Commander in Chief of the Apex Police Department, John Letteney [retiring from Apex in January]. Mayor Gilbert called Chief Letteney forward and thanked him for a job well done and for his service to this community. His work will never go unnoticed. Chief Letteney praised the phenomenal work of his staff and for the support his team has received from Council in providing opportunities for training and in putting together programs.

PR2 Colleen Merays, Downtown and Small Business Development Coordinator  
Shannon Flaherty, Executive Director, Apex Chamber of Commerce  
Presentation of Apex Small Business Saturday Promotion

Staff recognized Shane Reese, President of the ADBA and owner of STR Strategies, Nicholas Bryant, VP of the ADBA and owner of the Apex Gallery, and Shannon Flaherty, President of the Apex Chamber of Commerce.

Ms. Flaherty stated the new collaboration with Ms. Merays in the Depot has been awesome. She thanked her for all the support of small businesses, which are the heartbeat of any town.

Mr. Reese thanked Council and staff and the people of the small business community. We are starting to build the connective tissue, and Mr. Reese thanked Council for giving them Ms. Merays.

Ms. Merays gave directions to the small business Saturday page on the website showing all the specials that would be available on Small Business Saturday. She encouraged all to shop small, shop local, and shop often.

PR3 North Carolina Chapter of the American Planning Association  
Presentation of the Marvin Collins Small Area Plan Award from the North Carolina Chapter of the American Planning Association

Shannon Cox, Long Range Planning Manager, stated this award was a high honor in the planning field. It was awarded to Apex and Stantec Urban Places led by Project Manager Amanda Morrell and represented by Timothy Tresohlavy for the Downtown Master Plan and Parking Study. Ms. Cox stated this has been the highlight of her career – a plan for an amazing place of special and committed people. They were already working towards implementation. She invited the Steering Committee to come forward for a photo opportunity, their being joined by Council Member Brett Gantt.

Council Member Gantt stated it was an honor being the Council liaison for this committee. They were innovative, creative, and exciting people to work with. The product shows an amazing plan worthy of the award.

CONSENT AGENDA

- CN1 Donna Hosch, Town Clerk  
Minutes of the September 30, 2020 Special Council Meeting, the October 20, 2020 Regular Council Meeting, and the October 27, 2020 Special Council Meeting
- CN2 Shelly Mayo, Planner II  
Findings of Fact, Conclusions of Law and Decision approving a Major Site Plan for Apex Friendship Elementary School located at 7901 Humie Olive Road
- CN3 Resolution Directing the Town Clerk to Investigate Petition Received, Certificate of Sufficiency by the Town Clerk, and Resolution Setting Date of Public Hearing on the Question of Annexation- Apex Town Council's intent to annex MCI Enterprises LLC (MCI Business Park Buildings 3 & 4) property containing 5.53 acres located at MCI Business Park, Annexation #697 into the Town's corporate limits
- CN4 Vance Holloman, Finance Director  
Budget Ordinance Amendment No. 7 appropriating the proceeds of the 2020 Taxable General Obligation Refunding Bonds
- CN5 Russell Dalton, Sr Transportation Engineer and Vance Holloman, Finance Director  
Design Services Agreement with Stantec Consulting Services Inc. for Downtown Streetscape and Parking Design in the amount of \$614,597 and the corresponding Capital Project Ordinance Amendment No. 2021-02
- CN6 Erika Sacco, IT Director  
ILA with Cary NC to connect resources by Town of Apex and Cary owned fiber

The Mayor stated there was a requested add-on item, Budget Amendment 8 to reimburse Experience One Homes for costs incurred in the construction of the Sweetwater greenway.

Mayor Gilbert called for a motion to adopt the Consent Agenda. Council

Member Gantt made the motion with the add on Budget Amendment 8;

Council Member Dozier seconded the motion.

The motion carried by a 5-0 vote.

#### REGULAR MEETING AGENDA

Mayor Gilbert stated there was staff request to hear Public Hearing 08 before Public Hearing 01.

Mayor Gilbert called for a motion to adopt the Regular Meeting Agenda. Council

Member Killingsworth made the motion with the requested Public Hearing modification;

Council Member Stallings seconded the motion.

The motion carried by a 5-0 vote.

#### PUBLIC FORUM

Dr. David Bernhart spoke regarding work on the transportation bond, which has the potential to work on multiple construction projects throughout Apex. One important item to them was the southwest Peakway connector project. Originally CSX demanded the building of a bridge or tunnel, with the bridge being the first project to move forward. In 2015 a bond for \$15 million was pushed forward toward the project which has now ballooned to \$25 million and the need for another bond referendum.

Federal and State funding has dried up thanks to the pandemic. He stated with all the other projects, this is a large sum of money to spend on building a bridge that would support only a small portion of the community. The request from him and his neighbors was for the money to be allocated to more important development projects which would benefit many people.

Alison Gantt stated she was opposed to funding of the Peakway bridge. Compared to the bridge, there are more important and impactful projects ready to pursue. Many people characterize this as not the Town's most important project. The projected cost has skyrocketed while State and Federal funding has been depleted. Ms. Gantt stated it is fiscally irresponsible to fund this project. With the need for other proposed projects, the need for the bridge will be dramatically reduced. The bridge project would displace underserved in the community; the onramp could be used for something more effective in the community. Ms. Gantt stated their homes would be impacted negatively by the building of the bridge.

PUBLIC HEARINGS

PH8 Joanna Helms, Economic Development Director

To provide economic development incentives for Project Protein in accordance with the Town's Policy on Economic Development Incentives and to direct staff and the Town Attorney to draft an agreement between the Town and the company according to terms provided herein by Council and to authorize the Town Manager to approve and execute the final agreement

Staff outlined the incentive grant policy. Council approved a \$78,435 grant to Project Protein based on their \$7 million investment. This is a bio ag industry project, and staff outlined the company's proposal. There have been a few internal twists and turns in the company, but they maintain their interest at the Cash Corporate Center. They have notified us that their investment is now \$9 million with the creation of 30-40 jobs. Therefore, the grant eligibility has risen to \$106,448. Economic Development recommended awarding the grant.

Mayor Gilbert declared the Public Hearing open. With no one wishing to speak, Mayor Gilbert declared the Public Hearing closed.

Mayor Gilbert called for a motion. Council Member Killingsworth made the  
Motion to approve the increased grant funding to \$106,448;

Council Member Stallings seconded the motion.

The motion carried by a 5-0 vote.

PH1 Shelly Mayo, Planner II

Ordinance – Apex Town Council's intent to annex Florence S. Morrison Family Living Trust (Holleman Hills South) properties containing 10.16 acres located at 5131 and 5145 Church Road, Annexation #696 into the Town's corporate limits. This annexation will be heard concurrently with Rezoning Application #20CZ09.

and

PH2 Shelly Mayo, Planner II

Rezoning Application #20CZ09 Holleman Hills South and Ordinance. The applicant, Alonzo Wilson, seeks to rezone approximately 10.16 acres from Wake County R-30 to Medium Density-Conditional Zoning (MD-CZ). The proposed rezoning is located at 5131 and 5145 Church Road

Staff oriented Council to the site. A neighborhood meeting was held. Planning staff recommended approval with a zoning condition, and staff explained the reason for that condition.

Responding to Council, staff spoke about road improvement details of the UDO. We can only require the developer to do certain things as far as this was concerned. Staff added further explanation of what we can require.

Jeff Roach, Peak Engineering and Design, working with the applicant, identified other members of the team and explained the request. He spoke about the unimproved roads noting the one here is a State road. Mr. Roach answered Council question about the RCA. He answered affordability questions and read white Oak's commitment statement. He did not know yet if they would be able to build affordable housing. The stream buffer was clarified.

Council asked Mr. Roach about affordable housing questions in the neighborhood meeting, responding that this was not the intent of the developer. Council did not feel affordable housing would be done as part of project, and that funding would go straight to a donation. Mr. Roach stated the original plan was to bring this in as a market rate project.

Council did not understand the objection to the stream buffer condition, stating that we are trying to set policy to address zoning conditions. He did not want to set a precedent of not doing what we seek to do in the policy. Mr. Roach stated he was not against the buffer and that it could be added to the project.

Council felt the Town could come up with a legally justifiable condition.

Council stated her appreciation for conditions which are important to the Town.

Mayor Gilbert declared the Public Hearing open.

Alonzo Wilson, applicant, expressed he was thankful for those willing to stand up and make this a better place to live. He was proud to be standing before Council to speak. Mr. Wilson asked for support and stated his mission to bring affordable housing to Apex. His strategy was to follow the process. He wants to develop property to bring affordable housing to the table once they get their entitlements. Council thanked Mr. Wilson for his mission for housing affordability. The Mayor stated he knew where Mr. Wilson's heart was and what he was trying to accomplish. He appreciated everything Mr. Wilson was doing.

Rev. Tyner stated he wanted to make housing affordable to all citizens, and he talked about the importance of having home ownership. Rev. Tyner has built in Durham, and now he's working in Apex. He built the first seven houses on Lynch Street. Rev. Tyner talked about attempting to purchase land for housing for Habitat, but this fell through with the bank. So,

Habitat purchased the land from them. This project ought to be for affordable housing, but Mr. Wilson couldn't do so because of cost. He asked Council to help in this effort. Land prices are too high, there's no money in building affordable housing, and incentives are needed because of cost.

The Mayor pointed out the amazing job done on Lynch Street.

Mayor Gilbert declared the Public Hearing closed.

Mayor Gilbert called for a motion. Council Member Stallings made the motion to adopt the annexation; Council Member Killingsworth seconded the motion.

The motion carried by a 5-0 vote.

Mayor Gilbert called for a motion. Council Member Killingsworth made the motion to approve the rezoning with conditions offered by the applicant;

Council Member Stallings seconded the motion.

Council added comments relating to being impressed with what's been offered, the RCA, and canopy covers not being an issue.

The motion carried by a 5-0 vote.

PH3 Adam Stephenson, Engineering Supervisor

Amendments to the Unified Development Ordinance related to the Flood Damage Prevention Overlay District

Staff explained the language of the amendments was taken from the model ordinance from the NC Department of Public Safety. Most of the changes were minimal. He highlighted the significant two significant changes. Staff shared flood insurance data. Planning Board approved the amendments.

Mayor Gilbert declared the Public Hearing open. With no one wishing to speak, Mayor Gilbert declared the Public Hearing closed.

Mayor Gilbert called for a motion. Council Member Dozier made the motion to approve the UDO amendments; Council Member Gantt seconded the motion.

The motion carried by a 5-0 vote

PH4 Amanda Bunce, Current Planning Manager

Various amendments to the Unified Development Ordinance as requested by Planning staff

Staff detailed the amendments and answered Council questions related to such. Planning Board recommended approval.

Mayor Gilbert declared the Public Hearing open. With no one wishing to speak, Mayor Gilbert declared the Public Hearing closed.

Mayor Gilbert called for a motion. Council Member Dozier made the motion to approve the UDO amendments; Council Member Gantt seconded the motion.

The motion carried by a 5-0 vote

PH5 Shannon Cox, Long Range Planning Manager

Amendments to the Thoroughfare and Collector Street Plan map associated with review of data from Advance Apex: The 2045 Transportation Plan

Staff outlined the amendments. Planning reviewed the amendments with several other Town departments and there were no concerns. Staff and the Planning Board recommended approval. Staff responded to questions asked by Council and clarified how they try to avoid existing structures in roadway projects.

Mayor Gilbert declared the Public Hearing open. With no one wishing to speak, Mayor Gilbert declared the Public Hearing closed.

Mayor Gilbert called for a motion. Council Member Mahaffey made the motion to approve the amendments to the Thoroughfare and Collector Street Plan Map;

Council Member Stallings seconded the motion.

The motion carried by a 5-0 vote

PH6 Jenna Shouse, Long Range Planner II

Amend the Bicycle and Pedestrian System Plan map to add side path, a grade-separated pedestrian crossing, and greenway associated with the approved Depot 499 Planned Unit Development (PUD)

Staff oriented Council to the amendments. Staff and Planning Board recommended approval.

Mayor Gilbert declared the Public Hearing open. With no one wishing to speak, Mayor Gilbert declared the Public Hearing closed.

Mayor Gilbert called for a motion. Council Member Gantt made the motion to approve the amendments to the Bicycle and Pedestrian System Plan Map;

Council Member Dozier seconded the motion.

The motion carried by a 5-0 vote.

Mayor Gilbert called for a ten-minute recess.

PH7 Shannon Cox, Long Range Planning Manager

Proposed amendments to the Thoroughfare and Collector Street Plan map associated with the possible reversal of amendments made according to recommendations in the Southwest Area Study pertaining to New Hill Olive Chapel Road and North Salem Street

Staff oriented Council to the first amendment, noting that this has been heard previously. Staff and Planning Board recommended rejecting the reversal of the previously approved amendments. Responding to Council, staff answered questions related to historic structures and number of road lanes.

Staff oriented Council to the second amendment. Planning staff and the Planning Board recommended rejecting the reversal of the previously-approved amendment.

Responding to Council, staff answered questions about collaboration with Thales about the traffic at their location. Besides improving the road, staff did not see what else could be done to help the traffic situation there.

Mayor Gilbert declared the Public Hearing open.

Recorded comments were heard. Mike Hicks was opposed to widening the road to four lanes with a median. The majority of traffic was from through traffic. This has increased because of new development and will continue. However, it still didn't warrant a change in lanes with median. He talked about resulting negatives and stated that amendments to other roads would be more beneficial.

Patrick and Kim Tierney moved to Olive Chapel Road for many reasons. They supported the expansion to four lanes with median and explained why. They felt the lanes would support traffic once developments were developed to full capacity.

Rebecca Ward stated support of expanding New Hill Olive Chapel Road. This is no longer a rural road with all the houses being built, and this is dangerous. Ms. Ward was in favor of the expansion which would help with safety and in keeping traffic to a minimum.

In attendance, Jess Hastings, President of Apex Historical Society and Vice Chair of the Wake County Historical Commission, spoke about the road improvement plans. He spoke about the seven historical structures in the area. He was most concerned about Salem Street. A new road would be very close to their front doors. He was asked about possibly moving the houses and explained the process to do so and the associated costs. Mr. Hastings stated that we would lose seven structures that are a draw to downtown. He made suggestion as to how to mitigate the traffic situation.

Erin Bridges asked Council to leave Salem Street alone. She disagreed with the reasoning behind the changes as there is no room to widen the road. There is only 30 feet between the sidewalk and her front door. If this goes through, there would only be about 10 feet. This does not fit a residential area. Ms. Bridges also stated that a car dealership was not consistent with the neighborhoods and that the school problem should be solved using school property.

Mayor Gilbert declared the Public Hearing closed.

Council stated he supported the amendment to modify New Hill Olive Chapel Road back to two lanes. This road has rural character that should be retained. We should look at this as being a transition. In addition, the graveyard is a deal breaker, and graves may have to be moved in the future.

Council agreed, stating that there is a tension between development and traffic and maintaining ruralness and historic structures.

Council thanked staff for more information and the reaching out of the public. She was against Crossroads Ford at our entranceway; it doesn't belong there. After further thought and thinking of those most affected in the area, she was in agreement with reverting back to a two-lane road.

Council stated that since we are trying to balance development and keeping our historical nature, this would be difficult unless historical houses were moved. There would be major issues getting around the houses and the cemetery. We will lose the small town feel that people enjoy. Council stated the historical nature was more important, so she supported staying with two lanes.

Council disagreed because of looking at traffic projections on other maps. Preserving structures would inconvenience many who have not yet moved to Apex. Traffic will be terrible and future Councils may wonder why we stayed at two lanes. On Tingen, we are suffering from negative feedback where we didn't plan very well. On Salem Street, there are not pretty gateway buildings. Combine with this traffic jams, and he wondered how people will feel looking at constant traffic jams in front of their homes.

Council stated we will have other options along the way. Widening Salem is not a solution to the problem. We should be thinking about ways to get traffic off of Salem. Council agreed, stating that she consistently voted against developments in certain areas in order to maintain small town character.

The Mayor asked how it would impact funding if we change what's in our long-range planning. Staff stated what the process would be. In most cases, CAMPO will honor local wishes. Conversation ensued as to what could be another solution for encouraging traffic off of Salem Street.

Council asked about a bypass in the New Hill area. Staff stated this was an additional recommendation from the study which we are working to further vet.

Mayor Gilbert called for a motion. Council Member Mahaffey made the motion to approve downgrading Salem Street to a future three lane thoroughfare; Council Member Stallings seconded the motion. Council Members Mahaffey, Stallings, Dozier, and Killingsworth voted in the affirmative; Council Member Gantt voted in the negative.  
The motion carried by a 4-1 vote.

Mayor Gilbert called for a motion. Council Member Mahaffey made the motion to approve downgrading New Hill Olive Chapel Hill road to an existing rural road two-lane thoroughfare; Council Member Stallings seconded the motion. Council Members Mahaffey, Stallings, Dozier, and Killingsworth voted in the affirmative;  
Council Member Gantt voted in the negative.  
The motion carried by a 4-1 vote.

#### OLD BUSINESS

There were no Old Business items for consideration.

#### UNFINISHED BUSINESS

There were no Unfinished Business Items for consideration.

NEW BUSINESS

There were no New Business items for consideration.

CLOSED SESSION

There were no Closed Session items for consideration.

The Meeting moved to Training Room A for the Work Session.

WORK SESSION

WS1 Amanda Grogan, Budget and Management Analyst; Shawn Purvis, Assistant Town Manager

Financing options to fund transportation projects presented at the November 4, 2020 Council Meeting Work Session

Staff outlined last year's ranking of CIP projects by Council. Funding for these projects now needs to be available instead of at the end of a project.

Staff asked how Council wished the \$12 million to be allocated. Conversation ensued related to the bridge, the Peakway, and the public's perception of what the bond would be used for; the opportunity to get things done to improve the quality of life; and wording on the ballot related to bond funding.

The majority of Council was in agreement to allocate \$5 million to pavement management backlog and \$7 million to the Apex Peakway Bridge.

Further conversation ensued about CSX and another possible bond to build the bridge.

ADJOURNMENT

With there being no further business and without objection from Council, Mayor Gilbert adjourned the meeting.

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Donna B. Hosch, MMC, Town Clerk

ATTEST:

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Jacques K. Gilbert, Mayor



# SPECIAL TOWN COUNCIL MEETING

Tuesday, November 24, 2020 at 4:00 PM  
Council Chamber at Apex Town Hall, 73 Hunter Street

**Council and Administration**

Mayor: Jacques K. Gilbert | Mayor Pro Tem: Nicole L. Dozier  
Council Members: Brett D. Gantt; Audra M. Killingsworth; Cheryl F. Stallings; Terry Mahaffey  
Town Manager: Drew Havens | Assistant Town Managers: Shawn Purvis and Marty Stone  
Town Clerk: Donna B. Hosch, MMC | Town Attorney: Laurie L. Hohe

In attendance were Mayor Jacques K. Gilbert, Mayor Pro Tem Nicole L. Dozier,  
and Council Members Audra M. Killingsworth, Brett D. Gantt,  
Cheryl F. Stallings, and Terry Mahaffey

COMMENCEMENT

Mayor Gilbert called the meeting to order.

Mayor Gilbert called for a motion to go into Closed Session. Council Member Dozier made the motion; Council Member Killingsworth seconded the motion. The motion carried by a 5-0 vote.

Mayor Gilbert called for a motion to return to Open Session. Council Member Mahaffey made the motion; Council Member Gantt seconded the motion. The motion carried by a 5-0 vote.

ADJOURNMENT

With there being no further business and without objection from Council, Mayor Gilbert adjourned the meeting.

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Nicole L. Dozier, Mayor Pro Tem

ATTEST:

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Jacques K. Gilbert, Mayor

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# REGULAR TOWN COUNCIL MEETING

Tuesday, December 01, 2020 at 6:00 PM  
Council Chamber at Apex Town Hall, 73 Hunter Street

## Council and Administration

Mayor: Jacques K. Gilbert | Mayor Pro Tem: Nicole L. Dozier

Council Members: Brett D. Gantt; Audra M. Killingsworth; Cheryl F. Stallings; Terry Mahaffey

Town Manager: Drew Havens | Assistant Town Managers: Shawn Purvis and Marty Stone

Town Clerk: Donna B. Hosch, MMC | Town Attorney: Laurie L. Hohe

In attendance were Mayor Jacques K. Gilbert, Mayor Pro Tem Nicole L. Dozier, and Council Members Audra M. Killingsworth, Brett D. Gantt, and Cheryl F. Stallings. Also in attendance were Town Manager Drew Havens, Assistant Town Manager Shawn Purvis (remotely), Town Clerk Donna B. Hosch, and Town Attorney Brian Meyer.

Absent were Council Member Terry Mahaffey and Town Attorney Laurie L. Hohe.

## COMMENCEMENT

Mayor Gilbert called the meeting to order, read a statement of diversity and inclusion related to religion, gave the Invocation, and led the Pledge of Allegiance.

## PRESENTATIONS

PR1 Shannon Cox, Long Range Planning Manager with HR&A Advisors, Inc.

Informational update to the Town Council regarding the ongoing development of the Town of Apex Affordable Housing Plan

Staff overviewed the various aspects of the presentation. They have been working on the identified housing needs, drafting the affordable housing plan, and reviewing with the steering committee. Recommendations would be presented this evening. The full plan will be presented to the public for comment, and asking Council for adoption of the plan would be forthcoming in January. Staff stated the steering committee used public input to develop the plan, vision, and goal. She presented the developed vision and goal statements. We will be gathering additional public input on these statements.

Sarah Kirk, HR&A Advisors, Inc., talked about the three types of actions taken to achieve the goals laid out by staff. She detailed the recommendations. Staff outlined the next steps in the process, giving dates and times as to when each step would occur.

Responding to Council, staff presented background on the steering committee and its members. She spoke about the County having direct input into our plan which was helpful in filling in gaps and showing where there might be partnering opportunities.

PR2 Drew Havens, Town Manager

Brief update from Town Manager on various topics

The Mayor requested that this presentation be moved prior to Closed Session.

#### CONSENT AGENDA

CN1 Amanda Bunce, Current Planning Manager

Statement of the Apex Town Council pursuant to G.S. 160A-383 addressing action on the various Unified Development Ordinance (UDO) Amendments of November 17, 2020

CN2 Adam Stephenson, Engineering Supervisor

Statement of the Apex Town Council pursuant to G.S. 160A-383 addressing action on the Unified Development Ordinance (UDO) Amendments of November 17, 2020 related to the Flood Damage Prevention Overlay District

CN3 Amanda Bunce, Current Planning Manager

Set the Public Hearing for the December 15, 2020 Town Council meeting regarding various amendments to the Unified Development Ordinance

CN4 Shelly Mayo, Planner II

Statement of the Town Council for Rezoning Case #20CZ09 Holleman Hills South. Alonzo Wilson is the petitioner for the properties located at 5131 and 5145 Church Road.

CN5 Dianne Khin, Director of Planning and Community Development

Resolution Directing the Town Clerk to Investigate Petition Received, Certificate of Sufficiency by the Town Clerk, and Resolution Setting Date of Public Hearing on the Question of Annexation - Apex Town Council's intent to annex MCI Enterprises LLC (MCI Business Park Buildings 3 & 4) property containing 5.53 acres located at MCI Business Park, Annexation #697 into the Town's corporate limits

CN6 Michael S. Deaton, P.E. - Director

Approval and authorization for the Town Manager to execute the same for an Encroachment Agreement between the Town and property owners, Wesley Pitman and wife, Jessica Szydowski (Grantees), regarding Wake County, NC PIN#0722-30-5447, 2901 Water Tower Lane, recorded in Book of Maps 2018, Page 923, Wake County Register of Deeds

- CN7 Shawn Purvis, Assistant town Manager  
Set the Public Hearing for Tuesday, December 15, 2020 at 6:00 pm to receive citizen input regarding the formulation of the Fiscal Year 2021-2022 Annual Budget
- CN8 Jeffrey Maynard, Assistant Chief of Fire  
Budget Ordinance Amendment No.10 appropriating funds received from an insurance reimbursement to the Apex Fire Department Vehicle Maintenance and Repairs Account of the General Fund
- CN9 Keith McGee, Fire Chief  
Authorization for the Town Manager to sign a Memorandum of Understanding (MOU) between the Town of Apex (Apex Fire Department) and Wake Technical Community College (WTCC) to allow WTCC instructors to utilize Town of Apex owned equipment while instructing members of the Apex Fire Department and others who are registered to participate in certification courses. The MOU covers the five-year period from January 1, 2021 through December 31, 2025.
- CN10 Joanna Helms, Economic Development Director  
Set the Public Hearing for the December 15, 2020 Town Council meeting to consider and receive public input on the conveyance of +/-28 acres of the Cash Corporate Center located at 2100 Production Drive for \$2,105,880.00 for the purposes of Economic Development, pursuant to N.C.G.S 158-7.
- CN11 Russell Dalton, Senior Transportation Engineer  
Resolution requesting the North Carolina Department of Transportation to release a portion of Kings View Trail (SR 6112, Wake County) for inclusion in the Town's street system
- CN12 Marty Stone, Assistant Town Manager  
Resolution to Abandon Portions of Existing Public Utility Easements in Sweetwater Subdivision

Mayor Gilbert called for a motion to adopt the Consent Agenda. Council Member Killingsworth made the motion; Council Member Stallings seconded the motion.  
The motion carried by a 4-0 vote.

#### REGULAR MEETING AGENDA

Mayor Gilbert called for a motion to adopt the Regular Meeting Agenda. Council Member Dozier made the motion; Council Member Gantt seconded the motion.  
The motion carried by a 4-0 vote.

PUBLIC FORUM

Tommy Williamson spoke about life risks and mitigating those risks. DHHS statistics state that the risk of death for youth athletes is low. None of the NC deaths due to the pandemic have been by school children, and Dr. Fauci says deaths in this age range are low. So students should be allowed to play various sports games. NC has taken no action to shut down football, and those individuals are older and at higher risk of death than high school basketball. Mr. Williamson asked Council to consider facts, be flexible, reverse status, and reopen winter basketball.

OLD BUSINESS

There were no Old Business items for consideration.

UNFINISHED BUSINESS

UB1 Jenna Shouse, Long Range Planner II

Updates on the Town of Apex Wayfinding Signage Program including a summary of public input received on the sign design and gather input from Town Council on sign design, kiosk display type, and gateway options.

Staff stated the purpose of the program. We are now working on programming and what signs will look like. Staff asked for Council input on the flat or scalloped edging on the signs. Council conversation ensued about the scalloped design being unique to Apex, and there was conversation about if the curvature of gateway signs could be used. Consensus was the scallops would be used for uniqueness. Staff overviewed the two types of display kiosks. Conversation ensued about the preference for each and how many of each should be purchased. Consensus was to use all static kiosks with the opportunity to update in the future.

Staff overviewed the gateway sign options. Conversation ensued as to placement of the signs and Council's preference for each. Council went with the first choice.

PUBLIC HEARINGS

PH1 Joanna Helms, Economic Development Director by Assistant Town Manager Shawn Purvis

Purchase of +/-10 acres of the Cash Corporate Center located at 2100 Production Drive for \$595,560.00 for the purposes of Economic Development, pursuant to N.C. G. S 158-7, and Budget Ordinance Amendment No. 9 to allocate money from General Fund balance

Staff reviewed the site. There were no questions or concerns from Council.

Mayor Gilbert declared the Public Hearing open. With no one wishing to speak, Mayor Gilbert declared the Public Hearing closed.

Mayor Gilbert called for a motion. Council Member Killingsworth made the motion to approve the \$595,560.00 purchase and Budget Ordinance Amendment No. 9; Council Member Dozier seconded the motion.  
The motion carried by a 4-0 vote.

PH2 Joanna Helms, Economic Development Director by Assistant Town Manager Shawn Purvis  
Conveyance of +/-10 acres of the Cash Corporate Center located at 2100 Production Drive for \$752,100.00 for the purposes of Economic Development, pursuant to N.C.G.S 158-7.

Staff outlined this would be for Project Protein and gave a brief overview of what the project would bring to the Town. He additionally outlined the next steps, stating this is moving forward pretty quickly.

Mayor Gilbert declared the Public Hearing open. With no one wishing to speak, Mayor Gilbert declared the Public Hearing closed.

Mayor Gilbert called for a motion. Council Member Dozier made the motion to approve the conveyance of +/- 10 acres at Cash Corporate Center;  
Council Member Stallings seconded the motion.  
The motion carried by a 4-0 vote.

PH3 Dianne Khin, Director of Planning and Community Development  
Public hearing and possible motion to adopt an Ordinance on the Question of Annexation – Apex Town Council's intent to annex MCI Enterprises LLC (MCI Business Park Buildings 3 & 4) property containing 5.53 acres located at MCI Business Park, Annexation #697 into the Town's corporate limits.

The public hearing will not be held until December 15th, 2020.

Staff stated that due to a miscommunication in noticing this Hearing, the process would need to start over.

*An audio recording of the following Quasi-Judicial Public Hearing made by the Town Clerk is incorporated into these Minutes by reference. The audio recording or transcript of the Hearing should be used as the verbatim record of the questions, testimonies, evidentiary rulings, and discussions that occurred at the Quasi-Judicial Hearing.*

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PH4 Sarah Van Every, Senior Planner

Quasi-Judicial Public Hearing regarding a Major Site Plan for Crossroads Ford Truck Center located at 1200 Key Ring Drive

Mayor Gilbert read the Statement detailing the process and procedures for this Hearing.

All those wishing to speak were sworn in by the Town Clerk.

No one in attendance was in opposition to the request.

In response to question from the Mayor, all Council Members stated they had not had any communications with the applicant, there were no relational or financial conflicts, and that all could be impartial in their decisions. No Council Member had viewed the site.

Mayor Gilbert declared the Public Hearing open.

OPENING STATEMENT BY STAFF: Mrs. Van Every stated her credentials. She oriented Council to the site. A neighborhood meeting was held. Responding to Council, staff explained why the parking spaces triggered this review, including questions about stormwater and traffic flow.

OPENING STATEMENT BY APPLICANT: Leann Brown, attorney, representing the applicant, called upon Bill Daniel with William G. Daniel & Associates to detail the project.

Mr. Daniel introduced himself and stated his credentials. He detailed the various aspects of site and the project. Responding to Council, he clarified fencing around the pond and his response to a neighbor about trees. Council thanked Mr. Daniel for the buffer they would provide. He answered questions about light pollution.

Ms. Brown asked for incorporation of their presentations and Mr. Daniel's testimony into the record.

Responding to Council, staff clarified the question of amenities.

Mayor Gilbert asked Council to review their Checklist. There were no questions or concerns.

Mayor Gilbert declared the Public Hearing closed.

Mayor Gilbert called for a motion. Council Member Gantt made the motion to approve the Major Site Plan; Council Member Killingsworth seconded the motion. The motion carried by a 4-0 vote.

PR2 Drew Havens, Town Manager

Brief update from Town Manager on various topics

Staff stated he was asked to provide the public an update on projects and other things going on around town. He outlined the \$70 million of large capital projects that are ongoing. They are all on schedule.

Staff outlined the activity going on with the Senior Center, Pleasant Park, Electric Operations Center, the Greenway Projects, and signal projects. There is an upcoming pre-budget public hearing, and staff encouraged the public to come speak at that hearing with their wishes or to submit those via email.

Firefighters have painted hydrants orange to show support for one of our firefighters battling leukemia. They are also doing other things to help support him and his family. Electric and Parks and Recreation have teamed up to add lights to the volleyball and basketball courts. Economic Development graduated 14 from the Launch Apex Program. They asked everyone to shop local and shop small, especially during holiday times. Work on the audit is done. Human Resources will wrap up the required diversity and inclusion training for all employees.

Staff took the opportunity to brag on staff during this pandemic. Business has continued without interruption. Everyone adjusted with great speed. We have made some adjustments which follow public health guidelines. Staff has been at work in person or virtually without complaint. Staff stated he could not overemphasize the quality of our staff serving the people of this Town. Council gave a standing ovation to staff.

#### NEW BUSINESS

There were no New Business items for consideration.

#### CLOSED SESSION

There were no Closed Session items for consideration.

WORK SESSION

There were no Work Session items for consideration.

ADJOURNMENT

With no further business and without objection from Council, Mayor Gilbert adjourned the meeting.

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Donna B. Hosch, MMC, Town Clerk

ATTEST:

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Jacques K. Gilbert, Mayor

# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: CONSENT AGENDA  
Meeting Date: December 15, 2020

## Item Details

Presenter(s): Donna Hosch, Town Clerk  
Department(s): Office of the Town Clerk

### Requested Motion

Motion to approve the Apex Tax Report dated October 5, 2020

### Approval Recommended?

Yes

### Item Details

In regular session on November 16, 2020, the Wake County Board of Commissioners approved and accepted the Apex tax report dated October 5, 2020

### Attachments

- Tax Report





Wake County Tax Administration

Rebate Details

09/01/2020 - 09/30/2020

APEX

DATE

10/05/2020

TIME

8:43:22 PM

PAGE

1

REBATE NUMBER	PROPERTY	CITY TAG	LATE LIST	BILLED INTEREST	TOTAL REBATED	PROCESS DATE	ACCOUNT NUMBER	TAX YEAR	YEAR FOR	BILLING TYPE	OWNER	
<b>BUSINESS ACCOUNTS</b>												
766170	1,040.32	0.00	104.03	0.00	1,144.35	09/21/2020	0006918398	2020	2020	000000	JTTFP INC	
766175	575.66	0.00	0.00	0.00	575.66	09/21/2020	0006903490	2020	2020	000000	PEAK FALL PROTECTION, LLC	
766280	56.59	0.00	0.00	0.00	56.59	09/21/2020	0006513805	2020	2020	000000	EMERGEORHTO PA	
765022	2.27	0.00	0.23	0.00	2.50	09/09/2020	0006449109	2019	2019	000000	FAITHFUL SOFTWARE COMPANY INC	
<b>SUBTOTALS FOR BUSINESS ACCOUNTS</b>	<b>1,674.84</b>	<b>0.00</b>	<b>104.26</b>	<b>0.00</b>	<b>1,779.10</b>		<b>4</b>	<b>Properties Rebated</b>				

<b>BUSINESS REAL ESTATE ACCOUNTS</b>											
766854	3,907.84	0.00	0.00	0.00	3,907.84	09/29/2020	0000218287	2020	2020	000000	REGENCY CENTERS LP
765262	190.00	0.00	0.00	0.00	190.00	09/10/2020	0000453221	2020	2020	000000	SALEM POINTE OWNERS ASSOCIATION INC
765018	5.32	0.00	0.00	0.00	5.32	09/08/2020	0000435001	2017	2017	000000	BELLA CASA HOMEOWNERS ASSOCIATION INC
766505	1,757.88	0.00	0.00	0.00	1,757.88	09/29/2020	0000020128	2020	2020	000000	KATZ AND DAWGS LLC
765016	5.32	0.00	0.00	0.00	5.32	09/08/2020	0000435000	2017	2017	000000	BELLA CASA HOMEOWNERS ASSOCIATION INC
766856	1,000.69	0.00	0.00	0.00	1,000.69	09/29/2020	0000218288	2020	2020	000000	REGENCY CENTERS LP
766857	709.19	0.00	0.00	0.00	709.19	09/29/2020	0000235509	2020	2020	000000	REGENCY CENTERS LP
765020	5.32	0.00	0.00	0.00	5.32	09/08/2020	0000434999	2017	2017	000000	BELLA CASA HOMEOWNERS ASSOCIATION INC
766866	5,361.59	0.00	0.00	0.00	5,361.59	09/29/2020	0000348296	2020	2020	000000	WIDEWATERS HADDON HALL CO LLC



**Wake County Tax Administration**  
**Rebate Details**  
 09/01/2020 - 09/30/2020  
**APEX**

DATE: 10/05/2020  
 TIME: 8:43:28 PM  
 PAGE: 2

REBATE NUMBER	PROPERTY	CITY TAG	LATE LIST	BILLED INTEREST	TOTAL REBATED	PROCESS DATE	ACCOUNT NUMBER	TAX YEAR	YEAR FOR	BILLING TYPE	OWNER	
<b>BUSINESS REAL ESTATE ACCOUNTS</b>												
765019	5.32	0.00	0.00	0.00	5.32	09/08/2020	0000434998	2017	2017	000000	BELLA CASA HOMEOWNERS ASSOCIATION INC	
765667	1,780.85	0.00	0.00	0.00	1,780.85	09/15/2020	0000128497	2020	2020	000000	PEAKWAY MARKET LLC	
765021	5.32	0.00	0.00	0.00	5.32	09/08/2020	0000428271	2017	2017	000000	BELLA CASA HOMEOWNERS ASSOCIATION INC	
766013	8,031.22	0.00	0.00	0.00	8,031.22	09/17/2020	0000252731	2020	2020	000000	BEECHRIDGE LLC	
766014	8,211.28	0.00	0.00	0.00	8,211.28	09/17/2020	0000252732	2020	2020	000000	BEECHRIDGE LLC	
765010	865.24	0.00	0.00	0.00	865.24	09/08/2020	0000243796	2020	2020	000000	WAFFLE HOUSE INC	
767119	187.46	0.00	0.00	0.00	187.46	09/30/2020	0000456677	2020	2020	000000	WILSON, ROGER	
<b>SUBTOTALS FOR BUSINESS REAL ESTATE ACCOUNTS</b>	<b>32,029.84</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>32,029.84</b>		<b>16</b>	<b>Properties Rebated</b>				

<b>INDIVIDUAL PROPERTY ACCOUNTS</b>											
764890	57.39	25.00	0.00	0.00	82.39	09/04/2020	0006895309	2020	2019	000000	MARTINEZ LORA, ANTONINO ORIBEL
765780	10.47	0.00	0.00	0.00	10.47	09/15/2020	0006899033	2020	2020	000000	BREWER, JEREMY JOE
766625	94.13	25.00	0.00	0.00	119.13	09/24/2020	0006913053	2020	2019	000000	HAINS, JOSEPH ANDREW
764889	39.37	25.00	0.00	0.00	64.37	09/04/2020	0006895380	2020	2019	000000	MARTINEZ LORA, ANTONINO ORIBEL
765015	119.40	25.00	0.00	0.00	144.40	09/08/2020	0006916409	2020	2019	000000	CHAUDHARY, MEGHA



Wake County Tax Administration

Rebate Details  
09/01/2020 - 09/30/2020

APEX

DATE  
10/05/2020

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8:43:28 PM

PAGE  
3

REBATE NUMBER	PROPERTY	CITY TAG	LATE LIST	BILLED INTEREST	TOTAL REBATED	PROCESS DATE	ACCOUNT NUMBER	TAX YEAR	BILLING YEAR FOR TYPE	OWNER
<b>SUBTOTALS FOR INDIVIDUAL PROPERTY ACCOUNTS</b>										
	320.76	100.00	0.00	0.00	420.76	5	Properties Rebated			
<b>INDIVIDUAL REAL ESTATE ACCOUNTS</b>										
766859	1,536.29	0.00	0.00	0.00	1,536.29	09/29/2020	0000318842	2020	2020 000000	NEW LEGACY HOLDINGS LLC
766518	39.15	0.00	0.00	0.00	39.15	09/29/2020	0000442808	2020	2020 000000	RAMAKRISHNAN, SUBASH P
766511	1,264.76	0.00	0.00	0.00	1,264.76	09/29/2020	0000444472	2020	2020 000000	THE GAINOR REVOCABLE TRUST
766386	1,404.37	0.00	0.00	0.00	1,404.37	09/29/2020	0000215916	2020	2020 000000	THOMAS, DON E
766167	169.87	0.00	0.00	0.00	169.87	09/21/2020	0000174744	2020	2020 000000	LANUTI, DEBORAH JO
766156	225.77	0.00	0.00	0.00	225.77	09/18/2020	0000434125	2019	2019 000000	WALLACE, DAVID W
766155	225.77	0.00	0.00	0.00	225.77	09/18/2020	0000434125	2018	2018 000000	WALLACE, DAVID W
766154	206.74	0.00	0.00	0.00	206.74	09/18/2020	0000434125	2017	2017 000000	WALLACE, DAVID W
766146	91.25	0.00	0.00	0.00	91.25	09/18/2020	0000174719	2020	2020 000000	PALMER, DAVIS B
766128	5,177.09	0.00	0.00	0.00	5,177.09	09/18/2020	0000129654	2020	2020 000000	SCHRAGER, PHILIP M
765787	59.99	0.00	0.00	0.00	59.99	09/16/2020	0000267077	2020	2020 000000	PFEIFFER, COLLEEN MARIE
765658	7.12	0.00	0.00	0.00	7.12	09/15/2020	0000466520	2020	2020 000000	BERDIYOROV, SUNNATULLO
765529	32.73	0.00	0.00	0.00	32.73	09/11/2020	0000462750	2020	2020 000000	THAKAR, KANDARP KASHYAPKUMAR
765227	2,794.75	0.00	0.00	0.00	2,794.75	09/09/2020	0000456666	2020	2020 000000	PERRYMAN, LANCE E
765226	209.81	0.00	0.00	0.00	209.81	09/09/2020	0000318873	2020	2020 000000	WALL, MARIAN D
765225	977.67	0.00	0.00	0.00	977.67	09/09/2020	0000100214	2020	2020 000000	MCCALL, CLIFTON E
765214	537.88	0.00	0.00	0.00	537.88	09/09/2020	0000250401	2020	2020 000000	BEDOTTO, JAMES PETER
765070	270.59	0.00	0.00	0.00	270.59	09/08/2020	0000451541	2020	2020 000000	SIMPSON, LARRY BRUCE
765036	50.01	0.00	0.00	0.00	50.01	09/08/2020	0000236937	2020	2020 000000	MCGINLEY, CAROL ANN
765028	94.12	0.00	0.00	0.00	94.12	09/08/2020	0000461570	2020	2020 000000	ZHANG, YAN
765014	164.31	0.00	0.00	0.00	164.31	09/08/2020	0000461752	2020	2020 000000	KELLY, TRACY B



**Wake County Tax Administration**  
 Rebate Details  
 09/01/2020 - 09/30/2020  
**APEX**

DATE: 10/05/2020  
 TIME: 8:43:28 PM  
 PAGE: 4

REBATE NUMBER	PROPERTY	CITY TAG	LATE LIST	BILLED INTEREST	TOTAL REBATED	PROCESS DATE	ACCOUNT NUMBER	TAX YEAR	YEAR FOR	BILLING TYPE	OWNER
<b>INDIVIDUAL REAL ESTATE ACCOUNTS</b>											
764894	171.00	0.00	0.00	0.00	171.00	09/08/2020	0000453404	2020	2020	000000	DOZIER, AMY
764668	214.02	0.00	0.00	0.00	214.02	09/03/2020	0000458096	2020	2020	000000	VEEREPALLI, KRISHNA MOHAN RAO
764661	32.80	0.00	0.00	0.00	32.80	09/03/2020	0000455313	2020	2020	000000	PARKS, FREDERICK JACOB
764645	193.62	0.00	0.00	0.00	193.62	09/02/2020	0000246565	2020	2020	000050	SILHANEK, VIRGINIA
764511	150.24	0.00	0.00	0.00	150.24	09/01/2020	0000452200	2020	2020	000000	COLLIS, AMIRH
764521	87.77	0.00	0.00	0.00	87.77	09/01/2020	0000456932	2020	2020	000000	ATHOTA, SURESH BABU
<b>SUBTOTALS FOR INDIVIDUAL REAL ESTATE ACCOUNTS</b>	<b>16,389.49</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>16,389.49</b>				<b>27</b>		<b>Properties Rebated</b>
<b>TOTAL REBATED FOR APEX</b>	<b>50,414.93</b>	<b>100.00</b>	<b>104.26</b>	<b>0.00</b>	<b>50,619.19</b>				<b>52</b>		<b>Properties Rebated for City</b>

**Board Report**

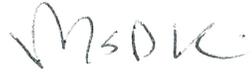
**Return**

Date : 11/16/2020

Approved By : *Kenneth A. Baker*

TO : WAKE COUNTY BOARD OF COMMISSIONERS

RE: CONSIDERATION OF REFUND FOR TAXES, INTEREST AND PENALTIES FOR APEX

No.	Name of Tax Payer	Account Number	Tax and Penalties	Total Rebate	Total Refund	Request Status
1	PEAK FALL PROTECTION LLC PO BOX 965 APEX NC, 27502	0006903490- 2020- 2020- 000000	City 575.66 County 908.94	1,484.60	1,484.60	Refund
2	THE WIDEWATERS GROUP INC PO BOX 3 DE WITT NY, 13214 - 0003	0000348296- 2020- 2020- 000000	City 5,361.59 County 8,465.67	13,827.26	13,827.26	Refund
<b>Marcus D. Kinrade</b>			Total City Rebated 5,937.25			
<b>Wake County Tax Administrator</b>			Total County Rebated 9,374.61			
			<b>Total Rebate/Refund</b>	<b>15,311.86</b>	<b>15,311.86</b>	

CC:

\*Refund amount may differ from rebated total due to released interest or application of payment to any balance due on the account.

**Board Report**

Return

Date : 11/16/2020

Approved By : *Kim Stewart*

TO : WAKE COUNTY BOARD OF COMMISSIONERS

RE: CONSIDERATION OF REFUND FOR TAXES, INTEREST AND PENALTIES FOR APEX

No.	Name of Tax Payer	Account Number	Tax and Penalties	Total Rebate	Total Refund	Request Status
1	RAMAKRISHNAN, SUBASH P 533 PARLIER DR APEX NC, 27523 - 8511	0000442808- 2020- 2020- 000000	City County	39.15 61.82	100.97	100.97 Refund
	<b>Marcus D. Kinrade</b>		Total City Rebated	39.15		
	<b>Wake County Tax Administrator</b>		Total County Rebated	61.82		
	<i>M D K</i>		<b>Total Rebate/Refund</b>		100.97	100.97

CC:

\*Refund amount may differ from rebated total due to released interest or application of payment to any balance due on the account.

# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: CONSENT AGENDA  
Meeting Date: December 15, 2020

## Item Details

Presenter(s): Jacques K. Gilbert, Mayor  
Department(s): Governing Body

### Requested Motion

Motion to reappoint all members of the Bee City Committee – Kaitlin Hartman, Michael Erana, Heidi Deja, Guy Loeffler, and Jennifer Springer – to a second term and to appoint a new member, Kimberly Rossi, to a first term to fill the current vacancy on the Committee

### Approval Recommended?

Yes

### Item Details

All of the terms for the Bee City Committee members are expiring December 31, 2020. David Wood, Halle Cultural Arts Center Manager and staff liaison, has stated all have expressed desire to serve a second term.

In addition, there is a vacancy to which Mr. Wood recommends appointment of Kimberly Rossi. Her application with background information is attached. This would be her first term.

### Reappointments:

<u>Name:</u>	<u>For Term:</u>
Kaitlin Hartman	January 1, 2021 – December 31, 2021
Michael Erana	January 1, 2021 – December 31, 2021
Heidi Deja	January 1, 2021 – December 31, 2021
Guy Loeffler	January 1, 2021 – December 31, 2021
Jennifer Springer	January 1, 2021 – December 31, 2021

### Appointment:

Kimberly Rossi	January 1, 2021 – December 31, 2021
----------------	-------------------------------------

### Attachments

- Kimberly Rossi Application



**From:** Cognito Forms <notifications@cognitofrms.com>  
**Sent:** Friday, June 28, 2019 12:56 PM  
**To:** Lance Olive; Donna Hosch; Stacie Galloway  
**Subject:** Advisory Board Interest Form - Kiberly Rossi

## Town of Apex

### Advisory Board Interest Form

#### Entry Details

**I'M INTERESTED IN SERVING ON...** Bee City Committee

**LEGAL NAME** Kiberly Rossi

**PREFERRED FIRST NAME** Kim

**ADDRESS** 1045 Dual Parks Rd, Apex, North Carolina 27502

**EMAIL** drossi@nc.rr.com

**MOBILE PHONE** (919) 622-4986

**CURRENT EMPLOYER** Retired

**TELL US WHY YOU WOULD LIKE TO SERVE?**

My husband & I started keeping bees about 5 years ago here in Apex. It has not been an easy road but always an exciting one. Having the community's support & helping to promote how critical honeybees & other pollinators to our neighbors is an important message. I am currently a member of the Wake County Beekeepers Association, the NC Beekeepers Association, participate in a local Bee Social held monthly and also held membership in Chatham County Beekeepers Assn in past years. I have held office in our Wake County club for the past 4 yrs as our Membership Chairperson. During that time I have also organized our club's award winning Honey & Bees Display Booth at the NC

State Fair to help promote the importance of honeybees to the 1000's of fair attendees. I have also helped with club events at the NC Museum of Natural History's BugFest & our NC State Farmer's Market HoneyBee/Pollinator Day. I BELIEVE becoming a certified BeeCity USA is a step in the right direction.

**PLEASE LIST ANY EDUCATION, SPECIAL SKILLS, OR EXPERIENCE YOU HAVE THAT WOULD BE USEFUL WHILE CONSIDERING THIS FORM.**

I attended Bailey Bee's 8 week Bee Education Course, as well as assist at Wake County Beekeepers Association's Beginner's Beekeeping Workshop for 3 years. I have earned my certificate as a Certified Beekeeper and I'm currently working to become a Journeyman Beekeeper through the NC State Beekeeper's Assn. I have also helped with marking newly hatched honeybees along with other area beekeepers for a research project at NC State University at their Bee Research Lab on Lake Wheeler road. Additionally I have attended local Pollinator Garden events.

Over the years while our children were in school I was actively involved with local PTA/PTOs & Scouting. I helped with fundraising and served on many committees, as well as holding many officer roles.

**IF YOU NOW SERVE, OR HAVE PREVIOUSLY SERVED ON ANY TOWN BOARDS, COMMISSIONS OR COMMITTEES, PLEASE LIST THE COMMITTEES AND DATES SERVED.**

I do not currently serve on any town boards, commissions or committees.

I previously attended several organizational meetings when the Town of Garner was trying to become certified as a BeeCity USA. To date, I do not know if they have completed the entire process.

# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: CONSENT AGENDA  
Meeting Date: December 15, 2020

## Item Details

Presenter(s): Jacques K. Gilbert, Mayor  
Department(s): Governing Board

### Requested Motion

Motion to approve re-appointments of Reginald Skinner and Tim Royal to the Planning Board as their terms expire December 31, 2020, and to name Michael Marks as Chair and Reginald Skinner as Vice Chair

### Approval Recommended?

Yes

### Item Details

Dianne Khin, Planning and Community Development Director, states that Reginald Skinner and Tim Royal (ETJ member) wish to be re-appointed to a second term on this Board as their terms expire December 31, 2020. Both terms would run January 1, 2021 through December 31, 2023.

In addition, Ms. Khin indicates there needs to be appointment of the Chair and Vice Chair. Michael Marks is eligible and wishes to be re-appointed, and his recommendation for Vice Chair is Reginald Skinner.

Beth Godfrey will be going off the Board due to term limits. An appointment to fill this vacancy is forthcoming.

### Attachments

N/A



# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: CONSENT AGENDA  
Meeting Date: December 15, 2020

## Item Details

Presenter(s): Jacques K. Gilbert, Mayor  
Department(s): Governing Board

### Requested Motion

Motion to approve Renisha Battle to fill a vacant seat left by Jane Wolfgang on the Public Art Committee

### Approval Recommended?

Yes

### Item Details

Renisha Battle is recommended for appointment to the Public Art Committee to fill the vacancy left by Jane Wolfgang to expire June 30, 2021. In speaking with Ms. Battle, she is extremely excited about the opportunity to bring her passion to the committee. Ms. Battle's appointment will enhance diversity and inclusion for our citizen boards. This is also an opportunity to enhance geographical representation as we continue to build on serving all communities. Ms. Battle brings a unique artistic interest and experience to the table.

### Attachments

- Renisha Battle Application



## Donna Hosch

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**From:** Cognito Forms <notifications@cognitoforms.com>  
**Sent:** Thursday, October 31, 2019 2:49 AM  
**To:** Lance Olive; Donna Hosch; Stacie Galloway  
**Subject:** Advisory Board Interest Form - Renisha L Battle

**Notice: This message is from an external sender.**

Do not click links or open attachments unless you trust the sender, and can verify that the content is safe.

# Town of Apex

## Advisory Board Interest Form

### Entry Details

I'M INTERESTED IN SERVING ON...	Public Art Committee
HOW DID YOU HEAR ABOUT THIS OPPORTUNITY TO SERVE?	Town Website
LEGAL NAME	Renisha L Battle
ADDRESS	1011 Maple Ave, Apex, North Carolina 27502
DO YOU LIVE WITHIN THE APEX TOWN LIMITS?	Yes
EMAIL	renishabattle@gmail.com
MOBILE PHONE	(919) 924-9096
CURRENT EMPLOYER	Keller Williams/ Victory Property Management
CURRENT JOB TITLE	Realtor/ Property Manager
TELL US WHY YOU WOULD LIKE TO SERVE?	Currently, I teach sewing classes and looking to open a camp for children who like to create. I am creative and have a artistic background. I think that

designing and sewing is a lost art. I want to the community to enjoy something that will inspire them to create.

---

PLEASE LIST ANY EDUCATION, SPECIAL SKILLS, OR EXPERIENCE YOU HAVE THAT WOULD BE USEFUL WHILE CONSIDERING THIS FORM.

Bachelors of Science concentration Apparel & Textile  
Masters in Business Administration  
Member of the Chamber of Commerce

---

IF YOU NOW SERVE, OR HAVE PREVIOUSLY SERVED ON ANY TOWN BOARDS, COMMISSIONS OR COMMITTEES, PLEASE LIST THE COMMITTEES AND DATES SERVED.

I do not serve

# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: CONSENT AGENDA  
Meeting Date: December 15, 2020

## Item Details

Presenter: Sarah Van Every, Senior Planner  
Department: Planning and Community Development

### Requested Motion

Motion to approve Findings of Fact, Conclusions of Law and Decision approving a Major Site Plan for Crossroads Ford Truck Center located at 1200 Key Ring Drive.

### Approval Recommended?

Yes, by the Planning and Community Development Department.

### Item Details

On December 1, 2020, Town Council approved a Major Site Plan for Crossroads Ford Truck Center.

### Attachments

- Findings of Fact, Conclusions of Law and Decision.



**BEFORE THE TOWN COUNCIL OF THE TOWN OF APEX  
MAJOR SITE PLAN FOR CROSSROADS FORD TRUCK CENTER**

**FINDINGS OF FACT**

Based on the competent and material evidence in the record, the Town Council makes the following findings of fact:

1. Bovestments, LLC., owner/applicant (the "Applicant"), submitted a completed application for a major site plan on the 1<sup>st</sup> day of September, 2020.
2. Pursuant to G.S. §160A-384, and 2.2.11 (E) of the Unified Development Ordinance, the Planning and Community Development Director caused proper notice to be given (by publication and posting), of a public hearing on the major site plan for the Crossroads Ford Truck Center before the Town Council on the 1<sup>st</sup> day of December 2020.
3. The Apex Town Council held a public hearing, including an evidentiary hearing, on the 1<sup>st</sup> day of December 2020.
4. All persons who desired to present evidence relevant to the major site plan for the Crossroads Ford Truck Center were allowed the opportunity to present evidence at the public hearing before the Apex Town Council.
5. The Applicant proposes build a building totaling 16,006 square feet with surface parking for customers, employees, and inventory for vehicle sales and rental.
6. The Applicant established by competent sworn testimony all matters stated in the application and staff report for the proposed major site plan and established that the proposed major site plan complies with the standards provided in the UDO.

**CONCLUSIONS OF LAW**

In light of the findings of fact, the Town Council makes the following conclusions of law:

1. The Applicant submitted a completed application for the major site plan for the Crossroads Ford Truck Center;
2. The matters stated in the application are established by competent and substantial evidence;
3. The development proposed in the site plan and its general location is compatible with the character of surrounding land uses;
4. The development and uses in the site plan comply with Sec. 4.4 *Supplemental Standards*;
5. The development proposed in the site plan and its general layout and design comply with all appropriate standards in Article 8: *General Development Standards*;
6. The site plan does not propose anything that would be inconsistent with the requirements of Sec. 8.1.4 *Slope Protection Standards*;
7. The development proposed in the site plan conforms to the requirements of Sec. 7.4., *Dedication of ROW for Thoroughfare Streets and Highways*;
8. The development proposed in the site plan conforms to the requirements of Sec. 7.5 *Required Improvements*;

**FINDINGS OF FACT AND CONCLUSIONS OF LAW FOR CROSSROADS FORD TRUCK CENTER MAJOR SITE PLAN**

- 9. The development proposed in the site plan and its general layout and design comply with all other relevant standards of this Ordinance;
- 10. The application and site plan meet the standards for major site plans stated in Sec.2.3.6.E.2;
- 11. The Applicant is entitled in law and in fact to the approval of the major site plan for the Crossroads Ford Truck Center.

**DECISION**

The Apex Town Council hereby unanimously approves the major site plan for the Crossroads Ford Truck Center.

These Findings of Fact, Conclusions of Law and Decision, shall constitute written documentation of Town Council's approval of the major site plan for the Crossroads Ford Truck Center.

**THE TOWN OF APEX**

By: \_\_\_\_\_  
Jacques K. Gilbert  
Mayor

(Corporate Seal)  
ATTEST:

\_\_\_\_\_  
Donna B. Hosch, MMC, NCCMC, Town Clerk

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

I, a Notary Public of the County and State aforesaid, certify that Donna B. Hosch, personally came before me this day and acknowledged that she is Town Clerk of the Town of Apex, a North Carolina Municipal Corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its Mayor, sealed with its corporate seal and attested by her as its Town Clerk.

Witness my hand and official stamp or seal, this \_\_\_\_\_ day \_\_\_\_\_, 2020.

\_\_\_\_\_  
[Signature of Notary Public]

My Commission Expires: \_\_\_\_\_

# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: CONSENT AGENDA  
Meeting Date: December 15, 2020

## Item Details

Presenter(s): Amanda Bunce, Current Planning Manager  
Department(s): Planning and Community Development

### Requested Motion

Motion to set the Public Hearing for the January 12, 2021 Town Council meeting regarding amendments to the Unified Development Ordinance related to the deadline for the submittal of requested quarterly receipts for businesses that serve alcohol for on-premise consumption.

### Approval Recommended?

The Planning and Community Development Department recommends approval.

### Item Details

Summary of UDO Amendment Requested by Planning Staff:

1. Amendment to Secs. 4.3.5 Use Classifications, Commercial Uses; 4.3.6 Use Classifications, Industrial Uses; 4.4.4 Supplemental Standards, Recreational Uses; 4.4.5 Supplemental Standards, Retail Sales and Service in order to require a business with alcohol sales for on-premise consumption to submit quarterly gross receipts within 10 days upon request of a Zoning Compliance Officer. Failure to provide the receipts within the specified time frame would be a violation of the Unified Development Ordinance.

### Attachments

- N/A



# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: CONSENT AGENDA  
Meeting Date: December 15, 2020

## Item Details

Presenter(s): Russell Dalton, Sr Transportation Engineer  
Department(s): Public Works & Transportation

### Requested Motion

Motion to approve Amendment to Design Services Agreement – Supplemental 1 with Stantec Consulting Services Inc., for Downtown Streetscape and Parking Design in the amount of \$10,000 and the corresponding Capital Project Ordinance Amendment No. 2021-03.

### Approval Recommended?

Yes

### Item Details

The Design Services Agreement and Capital Project Ordinance Amendment 2021-02 for the Downtown Streetscape and Parking Design was approved on 11/17/20 with a total contract amount of \$614,597. Following approval, the consultant realized that direct expenses had been inadvertently excluded from the contract. The proposed Amendment, Supplemental 1, provides for direct expenses to be invoiced at cost plus 10% with a maximum of \$10,000 in additional contract fee.

Funding for this agreement will come from interest earnings already in the Capital Project Fund.

### Attachments

- Amendment to Design Services Agreement - Supplemental 1, PO 2021-436
- Capital Project Ordinance Amendment No. 2021-03



STATE OF NORTH CAROLINA

Purchase order # 2021-436

COUNTY OF WAKE

AMENDMENT TO DESIGN SERVICES AGREEMENT – SUPPLEMENTAL 1

THIS AMENDMENT is entered into this the \_\_\_\_ day of \_\_\_\_\_, 20 \_\_, by and between Stantec Consulting Services, Inc. (the "Design Professional"), and the Town of Apex, a municipal corporation of the State of North Carolina, (the "Town");

**P R E M I S E S:**

**WHEREAS**, the Parties entered into Design Services Agreement for Professional Services dated November 17, 2020, (the "Agreement"), whereby the Client retained Stantec to furnish certain services therein described; and

**WHEREAS**, the Client has determined it necessary to request Supplemental 1 to amend the Agreement;

**W I T N E S S E T H:**

The Town and the Contractor, for the consideration stated herein, agree to amend the Agreement as follows:

Section 4, Consideration and Payment of Services, is amended to include the following: In addition, project specific charges, such as travel, accommodations and meals; project-specific printing of deliverables; consumables; usage charges for specialized field equipment and company-owned, leased or rented project vehicles; and other significant project-specific expenses will be invoiced in addition to labor fees. Project-specific expenses will be invoiced at their direct cost plus a 10% overhead markup. However, total expenses invoiced will not exceed \$10,000 in additional fee under this Agreement.

In witness thereof, the contracting parties, by their authorized agents, affix their signatures and seals this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_.

**Design Professional**

**Town of Apex**

Name: Craig Lewis  
Name of Design Professional (type or print)

\_\_\_\_\_  
Town Manager

By: *Craig S Lewis*  
(Signature)

Attest:  
\_\_\_\_\_

Title: Principal

Town Clerk

Attest:  
*[Signature]*  
\_\_\_\_\_  
(Secretary, if a corporation)

*This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.*

\_\_\_\_\_  
Finance Director





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## Town of Apex

### CAPITAL PROJECT ORDINANCE AMENDMENT 2021-03

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#### 63 - Street Improvements Capital Project Fund

BE IT ORDAINED, by the Council of the Town of Apex that the Capital Project Ordinance previously entitled "Street Improvements Capital Project Fund" be amended as follows:

**Section 1. The revenues anticipated for the projects are:**

Interest Earnings (Debt Proceeds)	10,000
<b>Total Revenues</b>	<b>\$10,000</b>

**Section 2. The expenditures anticipated are:**

47680: Downtown Alley Improvements	10,000
<b>Total Expenditures</b>	<b>\$10,000</b>

**Section 3.** Within five (5) days after adoption, copies of this Amendment shall be filed with the Finance Officer and Town Clerk.

Adopted this the 15th day of December, 2020.

Attest:

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Jacques K. Gilbert, Mayor

---

Donna B. Hosch, Town Clerk

# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: CONSENT AGENDA  
Meeting Date: December 15, 2020

## Item Details

Presenter(s): John M. Brown, Director

Department(s): Parks, Recreation, and Cultural Resources

### Requested Motion

Motion to approve contract with Field Turf USA Inc. for conversion of multi-purpose athletic field at Salem Pond Park to synthetic turf and authorize Town Manager to sign all related documents / agreements.

### Approval Recommended?

Yes

### Item Details

The conversion of the multipurpose athletic field at Salem Pond Park to synthetic turf is the first part of the final phase (Phase III) of the Salem Pond Park project which was approved by Council as part of the current Capital Improvement Plan. Currently, the field is primarily used for both organized and unorganized activities such as soccer and lacrosse. It also allows citizens year round "free-play" opportunities. Phase III also includes the installation of pre-fabricated restroom similar to ones at Lake Pine and Salem School and will be brought to the Council at a later date. After working through the co-op purchasing process, which is the same process the Town used for similar field conversions and Hunter Street Park and the Seymour Athletic Fields at the Apex Nature Park, is recommending awarding the contract to Field Turf USA Inc at a price not to exceed \$673,135.88. Field Turf USA Inc. is the same vendor and the project would use the same product we have at Hunter Street Park and the Seymour Athletic Fields. Because the majority of the construction will take place during the months of January, February and March when weather is unpredictable, staff is also asking authorization for up to 10% contingency (\$67,313.59) to assure the project stays on schedule. If approved by Council, construction would begin in January and the field would be ready by May 1<sup>st</sup>. Once completed, not only will the field add another synthetic turf field to the Town's inventory but it will also add another field that can be used year round to respond not only to Town program needs but also enable the Town to respond to a significant increase in requests for rental space. Adding another turf field will also add revenue via year round rentals. There is currently \$ 991,396 in the Salem Pond Phase III Capital Projects Fund and staff anticipates this will be more than enough to complete Phase III in its entirety.

### Attachments

- Contract Documents



**STATE OF NORTH CAROLINA  
COUNTY OF WAKE**

**PURCHASE ORDER #  
STANDARD CONSTRUCTION CONTRACT**

THIS CONTRACT is entered into this the \_\_\_\_\_ day of \_\_\_\_\_, 2020, by and between, FieldTurf USA, Inc., a Florida Corporation with its principal business offices located at 7445 Cote-de-Liesse Road Suite 200, Montreal Quebec H4T 1G2 (the "Contractor", the "Supplier"), and the Town of Apex, a municipal corporation of the State of North Carolina, (the "Town"). Town and Contractor may collectively be referred to as "Parties" hereinafter.

**WITNESSETH:**

WHEREAS, Town is engaged in the planning, operation, and utilization of town facilities which from time to time require construction, building, design, reconfiguration, renovation, installation, evaluation, site work, landscaping, testing, and other related projects; and

WHEREAS, the professional services of contractors from time to time are needed by the Town for the services as described above; and

WHEREAS, Contractor provides services of the nature required by the Town and employs trained and experienced technical personnel possessing adequate knowledge, skills, and experience to provide such professional services to the Town; and

NOW THEREFORE, in consideration of the foregoing recitals, and the premises and mutual covenants herein contained, the receipt and adequacy of which is hereby acknowledged, the Parties, intending to be legally bound, hereto do contract and agree as follows:

**1. SCOPE OF SERVICES.**

The Contractor agrees to provide all materials, equipment, machinery, tools, apparatus, means of transportation and labor necessary for the installation of approximately 49,400 SF of artificial, in-filled playing surface identified as Field Turf Classic HD 2" for use at Salem Pond Park, located at 6112 Old Jenks Road, Apex, NC 27502, consistent with the plans drawn by Withers and Ravenel Inc. located at 115 MacKenan Drive, Cary, North Carolina 27511 and dated 5/28/2020 and consistent with the following documents which shall be part of this contract if applicable:

- A. This Contract
- B. Plans titled "Salem Pond Park Improvements", dated 5/28/20 by Withers Ravenel Inc.
- C. Proposal for Synthetic Turf Field-KPN Turf and Site work dated October 28, 2020
- D. Keystone Pricing Network Contract # 201801-01
- E. Construction Bidding Support Documents
- F. Performance & Payment Bonds (if applicable)
- G. Certificate(s) of Insurance

**2. TIME OF COMMENCEMENT AND COMPLETION.**

Contractor shall commence the work required in this Contract upon the issuance of a Notice to Proceed, and the Contractor shall complete entire work within 120 calendar days of the issuance of the Notice to

Proceed. If Contractor has not satisfactorily commenced or completed the work within the times specified, the Town may declare such delay a material breach of contract and may pursue all available legal and equitable remedies. Any changes to the schedule(s) provided in the Contract must be agreed to in writing by the Town and the Contractor.

If the Contractor is delayed at any time in the progress of his work by any act or negligence of the Town, his employees or his separate contractor, by changes ordered in the work; by abnormal weather conditions; by any causes beyond the Contractor's control or by other causes deemed justifiable by Town, then the contract time may be reasonably extended in a written order from the Town upon written request from the contractor within ten days following the cause for delay. Time extensions for weather delays, acts of God, labor disputes, fire, delays in transportation, unavoidable casualties or other delays which are beyond the control of the Town do not entitle the Contractor to compensable damages for delays. Any Contractor claim for compensable damages for delays is limited to delays caused solely by the Town or its agents.

### **3. CONSIDERATION AND PAYMENT OF SERVICES.**

In consideration of the above services, the Town will pay the Contractor the total sum of \$ 673,135.88. Contractor shall submit applications for payment reflecting work completed through the date of application. Town will process all pay applications as the project progresses. Payment shall be made within 30 days after certification of the work in an application for payment. Town has the right to require the Contractor to produce for inspection all of Contractor's records and charges to verify the accuracy of all applications for payment. Town shall pay Contractor's invoices at times set forth above unless a bona fide dispute exists between Town and Contractor concerning the accuracy of said invoice or the services covered thereby.

#### **Retainage:**

In accordance with N.C.G.S 143-134.1, Town may withhold a percentage of payment until the project has been satisfactorily completed for projects costing more than \$100,000.00. For projects costing \$100,000.00 or more:

- a. Retainage withheld shall not exceed 5% at any time.
- b. The same terms shall apply to the general contractor and subcontractors alike.
- c. Following 50% completion of the project no further retainage will be withheld if the Contractor/subcontractor has performed satisfactorily.
- d. Town may reinstate retainage if the Contractor/subcontractor does not continue to perform satisfactorily. Following 50% completion of the project, Town is authorized to withhold additional retainage from a subsequent payment application if the amount of retainage withheld falls below 2.5%.

Final payment will be made within forty-five (45) days after acceptance of the work and the Town has received all required warranty information, "as-built" drawings as required, and receipt of the final pay request which shall include the Contractor's affidavit in the following form:

"This is to certify that all costs of materials, equipment, labor, subcontracted work, and all else entering into the accomplishment of this contract, including payrolls, have been paid in full."

The Town, or the designer with the Town's approval, may withhold payment for any of the following reasons:

- a. Faulty or defective work not corrected.
- b. The unpaid balance remaining on the contract is not sufficient to complete the work in the sole judgment and discretion of the designer.
- c. To provide a sufficient contract balance to cover liquidated damages (if applicable) that will be assessed.
- d. Evidence that subcontractors have not been paid.

Payment will be released once the grounds for withholding payments has been removed.

#### 4. CHANGE ORDERS.

- A. In the event Town has changes in the work not covered by the contract, these changes will not invalidate or relieve Contractor from any guarantee it has given in this Contract. If a bond was required these changes will not relieve the surety or sureties of said bond. Changes in work shall *not* proceed without a Change Order approved by the Town. Contractor shall provide a complete breakdown of all labor and material costs with the Change Order request. The breakdown shall include the Contractor's allowance for overhead and profit not to exceed 10% of the net cost of the change with work provided directly by the Contractor. For purposes of this Contract, "net cost" shall mean the difference between all proper cost additions and deductions. No claim for adjustments of the contract price shall be valid unless the procedure outlined in this section is followed. Any work performed pursuant to an approved change order shall be governed by the terms of this Contract.
- B. The Parties agree that there are two methods that may be utilized to determine the cost of changes:
  1. If unit prices are quoted in the proposal or bid and the additional work is covered by those unit prices, or can be subsequently agreed to by the Parties and Designer, the cost of the change shall be computed by application of the unit prices based on quantities. If this method is used no additional allowances shall be made for overhead and profit.
  2. If the additional work is not covered by unit prices, unit prices were not provided in the proposal or bid, or by the Parties mutual election, Town and Contractor may negotiate and agree upon the value of the change prior to the issuance of the change order and the change order shall identify the corresponding lump sum adjustment to the contract price.
- C. In the event concealed conditions are discovered in the performance of the work below grade, or in the event concealed or unknown conditions in an existing structure vary from the conditions indicated in the Contract Documents, the contract sum and time for completion may be adjusted by Change Order upon claim by either party made within thirty (30) days after the condition has been identified. The cost shall be determined by one of the methods outlined in this Contract.
- D. Change Orders shall be submitted by the Contractor for the Designer and Town's review and approval. Contractor shall provide all applicable supporting data and information. Delay in approval of a Change Order due to Contractor's failure to submit proper documentation shall not be grounds for a time extension or basis of a claim. The Designer or Town shall respond to the Contractor's proposal within fourteen (14) days of receipt of the proposal. If accepted, the Designer or Town shall prepare the Change Order for the Contractor's signature. The Town shall execute the

approved Change Order within seven (7) days of receipt from the Contractor. If the project requires bonding, the Contractor shall notify its bonding company that the contract has been changed by the amount of the Change Order and provide a copy of the approved Change Order to the surety. In the event a Change Order cannot be agreed upon by the Parties, nothing in this Contract shall preclude the Town from performing, or having performed, the work requested in a Change Order.

#### **5. INDEMNIFICATION.**

To the extent permitted by law, the Contractor agrees to defend, pay on behalf of, indemnify, and hold harmless the Town of Apex, its elected and appointed officials, employees, agents, and volunteers against any and all claims, demands, suits or losses, including all costs connected therewith, for any damages which may be asserted, claimed or recovered against or from the Town of Apex its elected or appointed officials, employees, agents, and volunteers by reason of personal injury, including bodily injury or death and/or property damage, including loss of use thereof, resulting from the negligence of the Contractor.

#### **6. APPLICABILITY OF LAWS AND REGULATIONS.**

The Contractor shall adhere to all laws, ordinances, and regulations of the United States, the State of North Carolina, the County of Wake, and the Town of Apex in the performance of the services outlined in this contract and any attached specifications. This Contract shall be governed by the laws of the State of North Carolina.

Contractor shall obtain all required permits and inspections and shall give all notices required by law in performance of this project. In the event Contractor observes that any drawings or specifications are not in compliance with any such rules, laws, or regulations, Contractor shall promptly notify the Town in writing. Contractor shall not perform any work knowing it to be contrary to any laws, ordinances, codes, rules or regulations.

All work under this Contract shall be performed in accordance with the North Carolina Building Code and all other applicable state or national codes.

#### **7. E-VERIFY COMPLIANCE.**

The Contractor shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes (E-Verify). Contractor shall require all of the Contractor's subcontractors to comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes (E-Verify).

#### **8. ANTI-HUMAN TRAFFICKING.**

The Contractor warrants and agrees that no labor supplied by the Contractor or the Contractor's subcontractors in the performance of this Agreement shall be obtained by means of deception, coercion, intimidation or force, or otherwise in violation of North Carolina law, specifically Article 10A, Subchapter 3 of Chapter 14 of the North Carolina General Statutes, Human Trafficking.

#### **9. QUALITY AND WORKMANSHIP.**

Contractor shall provide services in accordance with all governing agency regulations and shall be held to the same standard and shall exercise the same degree of care, skill and judgment in the performance of services for Town as is ordinarily provided by a similar professional under the same or similar

circumstances at the time in North Carolina. Contractor hereby certifies that he/she is a licensed general contractor as defined by N.C.G.S. 87-1.

#### **10. PROTECTION AND RESTORATION OF SITE.**

Unless otherwise noted in the Contract Documents, Contractor shall supply all labor, transportation, tools, and apparatus necessary for the completion of this work and shall maintain and remove all equipment of the construction, and be responsible for the safe, proper and lawful construction, maintenance and use of the same. Contractor shall provide all necessary protections for the site and shall be responsible for and pay for or repair, any damage to Town property caused by Contractor's or subcontractor's actions on the site. Protections provided by Contractor shall include cover of any work that is not in progress but is accessible to the public. Any work damaged that was not properly protected shall be repaired or replaced by the Contractor. Contractor shall provide all barricades necessary to keep the public away from construction.

If at any point during the construction or completion of the work contemplated by this Contract, the conduct or behavior of any worker on the site be determined to be a nuisance to the Town, or detrimental to the Town's operations, Contractor shall immediately remove such party from the site.

Contractor shall keep the work site and surrounding area reasonably free from obstruction and debris and shall remove all such debris when requested by the Town. Before final acceptance of the project Contractor shall thoroughly clean the site and surrounding area and prepare the project site for use by the Town. Following construction the Contractor shall restore the site its original state.

#### **11. INSURANCE.**

Work under this Contract until the Contractor has obtained all required insurance. The Contractor shall maintain valid general liability insurance in the minimum amount of \$1,000,000, commercial automobile liability insurance in the minimum amount of \$2,000,000, and provide certificates of such insurance naming the Town of Apex as an *additional insured* by endorsement to the policies. If the policy has a blanket additional insured provision, the contractor's insurance shall be primary and non-contributory to other insurance. Additionally, the contractor shall maintain and show proof of workers' compensation in accordance with the statutory limits and employer's liability insurance in the minimum amount of \$1,000,000. Contractor shall purchase and maintain Builder's Risk insurance until final acceptance of the work, upon the entire work at the site to the full insurable value thereof. The Contractor shall provide notice of cancellation, non-renewal or material change in coverage to the Town of Apex within 10 days of their receipt of notice from the insurance company. All required certificates of insurance, endorsements, and blanket additional insured policy provisions are attached and considered part of this document. Notwithstanding the foregoing, neither the requirement of Contractor to have sufficient insurance nor the requirement that Town is named as an additional insured, shall constitute waiver of the Town's governmental immunity in any respect, under North Carolina law.

#### **12. PRE-PROJECT SAFETY REVIEW MEETING.**

When requested by the Town, the Contractor shall attend a pre-project safety review meeting with the contracting Department Head and Supervisors and Safety and Risk Manager prior to the start of work.

#### **13. SUBCONTRACTORS.**

Contractor shall be fully responsible for his/her own acts or omissions as well as those of any subcontractor retained to perform services pursuant to this Contract. Contractor acknowledges that no contractual relationship exists between the subcontractor and the Town in regards to this Contract and that the subcontractor is acting as an agent or employee of the Contractor. Contractor acknowledges that the terms of this Contract applies to each subcontractor as it does to the Contractor and Contractor will take whatever steps necessary to bind all subcontractors working on this project to these terms.

#### **14. DEFAULT.**

In the event the Contractor fails to begin the work pursuant to the Contract Documents within the time specified, or the progress of the work is not maintained on schedule, or the work is not completed within the time specified, or fails to perform the work with sufficient staff and equipment or with sufficient materials to ensure the prompt completion of said work, or shall perform the work unsuitably or shall discontinue the prosecution of the work, or if the Contractor shall become insolvent or be declared bankrupt or commit any act of bankruptcy or insolvency, or allow any final judgment to stand against him unsatisfied for a period of forty-eight (48) hours, or shall make an assignment for the benefit of creditors, or for any other cause whatsoever shall not carry on the work in an acceptable manner, the Town may give notice in writing, sent by certified mail, return receipt requested, to the Contractor and his surety (if applicable) of such delay, neglect or default, specifying the same, and if the Contractor within a period of seven (7) days after such notice shall not proceed in accordance therewith, then the Town shall, declare this Contract in default. Upon a declaration of default the following shall apply:

1. If the project was required to be bonded the surety shall promptly take over the work and complete the performance of this Contract in the manner and within the time frame specified. In the event the surety (if applicable) shall fail to take over the work to be done under this Contract within seven (7) days after being so notified and notify the Town in writing, sent by certified mail, return receipt requested, that he is taking the same over and stating that he will diligently pursue and complete the same, the Town shall have full power and authority, without violating the Contract, to take the prosecution of the work out of the hands of said Contractor, to appropriate or use any or all contract materials and equipment on the grounds as may be suitable and acceptable and may enter into an agreement, either by public letting or negotiation, for the completion of said Contract according to the terms and provisions thereof or use such other methods as in his opinion shall be required for the completion of said Contract in an acceptable manner. All costs and charges incurred by the Town, together with the costs of completing the work under Contract, shall be deducted from any monies due or which may become due said Contractor and surety. In case the expense so incurred by the Contractor shall be less than the sum which would have been payable under the Contract, if it had been completed by said Contractor, then the said Contractor and surety shall be entitled to receive the difference, but in case such expense shall exceed the sum which would have been payable under the Contract, then the Contractor and the surety shall be liable and shall pay to the Town the amount of said excess.
2. If a bond was not required and there is not surety, then the Contractor shall promptly cure the default and complete the performance of this Contract in the manner and within the time frame specified in the written notice. In the event the Contractor shall fail to cure the default within the time specified, the Town shall have full power and authority, without violating the Contract, to take the prosecution of the work out of the hands of said Contractor, to appropriate or use any



Neither Contractor nor Town shall be in default of the provisions of this Contract for delays in performance due to forces beyond the control of the parties. "Forces beyond the control of the parties" shall mean, but is not limited to, delay caused by fire, acts of God, flood, earthquakes, storms, lightning, epidemic, war, riot, and/or civil disobedience.

**19. NONWAIVER FOR BREACH.**

No breach or non-performance of any term of this Contract shall be deemed to be waived by either party unless said breach or non-performance is waived in writing and signed by the parties. No waiver of any breach or non-performance under this Contract shall be deemed to constitute a waiver of any subsequent breach or non-performance and for any such breach or non-performance each party shall be relegated to such remedies as provided by law.

**20. CONSTRUCTION.**

Should any portion of this Contract require judicial interpretation, it is agreed that the Court or Tribunal construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against any one party by reason of the rule of construction that a document is to be more strictly construed against the party who prepared the documents.

**21. NO REPRESENTATIONS.**

The parties hereby warrant that no representations about the nature or extent of any claims, demands, damages, or rights that they have, or may have, against one another have been made to them, or to anyone acting on their behalf, to induce them to execute this Contract, and they rely on no such representations; that they have fully read and understood this Contract before signing their names; and that they act voluntarily and with full advice of counsel.

**22. SEVERABILITY.**

In the event for any reason that any provision or portion of this Contract shall be found to be void or invalid, then such provision or portion shall be deemed to be severable from the remaining provisions or portions of this Contract, and it shall not affect the validity of the remaining portions, which portions shall be given full effect as if the void or invalid provision or portion had not been included herein.

**23. COUNTERPARTS.**

This Contract may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one instrument.

**24. MODIFICATION.**

This Contract contains the full understanding of the parties. Any modifications or addendums to this Contract must be in writing and executed with the same formality as this Contract.

**25. BINDING EFFECT.**

The terms of this Contract shall be binding upon the parties' heirs, successors, and assigns.

**26. ASSIGNMENT.**

Contractor shall not assign, sublet, or transfer any rights under or interest in (including, but without limitation, monies that may become due or monies that are due) this Contract without the written consent of the Town. Nothing contained in this paragraph shall prevent Contractor from employing such independent consultants, associates, and sub-contractors as it may deem appropriate to assist Contractor in the performance of services rendered.

**27. INDEPENDENT CONTRACTOR.**

Contractor is an independent contractor and shall undertake performance of the services pursuant to the terms of this Contract as an independent contractor. Contractor shall be wholly responsible for the methods, means and techniques of performance.

**28. NON-APPROPRIATION.**

Notwithstanding any other provisions of this Contract, the parties agree that payments due hereunder from the Town are from appropriations and monies from the Town Council and any other governmental entities. In the event sufficient appropriations or monies are not made available to the Town to pay the terms of this Contract for any fiscal year, this Contract shall terminate immediately without further obligation of the Town.

**29. IRAN DIVESTMENT ACT CERTIFICATION.**

N.C.G.S. 147-86.60 prohibits the State of North Carolina, a North Carolina local government, or any other political subdivision of the State of North Carolina from contracting with any entity that is listed on the Final Divestment List created by the North Carolina State Treasurer pursuant to N.C.G.S. 147-86.58. N.C.G.S. 147-86.59 further requires that contractors with the State, a North Carolina local government, or any other political subdivision of the State of North Carolina must not utilize any subcontractor found on the State Treasurer's Final Divestment List. As of the date of execution of this Contract the Contractor hereby certifies that the Contractor is not listed on the Final Divestment List created by the North Carolina State Treasurer and that the Contractor will not utilize any subcontractors found on the Final Divestment List.

**30. CONTRACTOR'S WARRANTIES.**

The Contractor, in executing this Contract, unconditionally guarantees materials and workmanship against defects arising from faulty materials, faulty workmanship or negligence for a period of twelve (12) months following the final acceptance of the work by the Town and shall replace all such defective materials or workmanship without cost to the Town. In the cases where materials or equipment carry a manufacturer's warranty for any period in excess of twelve (12) months, then the manufacturer's warranty shall apply for that specific equipment or material. During the manufacturer's warranty period the Contractor shall be responsible for the replacement of such defective equipment or materials.

Nothing in this section shall preclude the Town from bringing an action for latent defects caused by the negligence of the Contractor which is concealed, hidden, or not readily apparent to the Town at the time of final acceptance, in accordance with applicable law. Guarantees that are stipulated in the specifications or drawings shall govern those particular materials or equipment.

**31. BOND REQUIREMENTS.**

If a bond is required by the Contract Documents, Contractor shall provide the Town of Apex with a contract payment bond and a contract performance bond by a surety company authorized to do business in North Carolina, each in an amount equal to 100 percent of the amount of the contract. All bonds shall be in conformance with N.C.G.S. 44A-33. The corporate surety furnishing the bonds shall be authorized to do business in the State of North Carolina. Failure on the part of the Contractor to file acceptable bonds within the required timeframe shall be just cause for the forfeiture of the bid bond or bid deposit and rescinding award of the Contract. Award may then be made to the next lowest responsible bidder or the work may be re-advertised.

**32. EQUAL OPPORTUNITY CLAUSE.**

The non-discrimination clause contained in Section 202 Executive Order 11246, as amended, relative to equal employment opportunity for all persons without regard to race, color, religion, sex or national origin, and the implementing rules and regulations prescribed by the Secretary of Labor, are incorporated herein.

**33. ELECTRONIC SIGNATURE.**

Pursuant to Article 40 of Chapter 66 of the North Carolina General Statutes (the Uniform Electronic Transactions Act) this Agreement and all documents related hereto containing an electronic or digitized signature are legally binding in the same manner as are hard copy documents executed by hand signature.

The Parties hereby consent to use electronic or digitized signatures in accordance with the Town's Electronic Signature Policy and intend to be bound by the Agreement and any related documents. If

electronic signatures are used the Agreement shall be delivered in an electronic record capable of retention by the recipient at the time of receipt.

In witness thereof, the contracting parties, by their authorized agents, affix their signatures and seals this \_\_\_\_ day of \_\_\_\_\_, 2020.

**Contractor Town of Apex FieldTurf USA Inc**

\_\_\_\_\_  
Name of Contractor (type or print)



\_\_\_\_\_  
Signature

\_\_\_\_\_  
SVP of Marketing & Innovation

\_\_\_\_\_  
Title

\_\_\_\_\_  
Attest:



\_\_\_\_\_  
Secretary (if a corporation)

\_\_\_\_\_  
Drew Havens  
Town Manager

\_\_\_\_\_  
Attest:

\_\_\_\_\_  
Donna B. Hosch, MMC, NCCMC  
Town Clerk

*This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.*

\_\_\_\_\_  
T. Vance Holloman  
Finance Director



Federal Insurance Company

AIA Document A312™ - 2010 Performance Bond

Bond No. K40224646

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

CONTRACTOR

(Name, legal status and address):

Fieldturf USA, Inc.  
7445 Cote-de-Liesse Road, Suite 200  
Montreal, Quebec, Canada, H4T 1G2

OWNER  
(Name, legal status and address):

Town of Apex  
73 Hunter Street  
Apex, NC 27502

SURETY (Name and Principal Place of Business):

Federal Insurance Company

202B Hall's Mill Road  
Whitehouse Station, NJ 08889

The liability of the surety under this bond shall not extend beyond one year from the final completion and acceptance of the work by the owner/obligee and in no way shall the surety be liable under any extended warranty provided by Fieldturf USA, Inc. or the named Principal on this bond.

CONSTRUCTION CONTRACT

Date:

Amount: \$673,135.88 Six Hundred Seventy Three Thousand One Hundred Thirty Five Dollars and 88/100

Description (Name and Location): Installation of Synthetic Turf at Salem Pond Park, 6112 Old Jenks Road, Apex, NC 27502, KPN Contract # 201801-01, State of North Carolina, County of Wake, Town of Apex

BOND

Date (Not earlier than Construction Contract Date):

Amount: \$673,135.88 Six Hundred Seventy Three Thousand One Hundred Thirty Five Dollars and 88/100

Modifications to this Bond:

None  See Page 4

CONTRACTORS AS PRINCIPAL

Company:

Fieldturf USA, Inc.

(Corporate Seal)



Signature:

*Pedro M. Azevedo*

Name and Title: Pedro Azevedo, Chief Financial Officer

SURETY

Company:

Federal Insurance Company

(Corporate Seal)



Signature:

*Jeffrey M. Wilson*

Attorney-in-Fact Name: Jeffrey M. Wilson

Signed and Sealed this \_\_\_\_\_ day of \_\_\_\_\_  
(Any additional signatures appear on the last page of this Performance Bond.)

(FOR INFORMATION ONLY — Name, Address and Telephone)

AGENT or BROKER:

McGriff, Seibels & Williams, Inc.  
2211 7th Avenue South  
Birmingham, AL 35233  
205-252-9871

OWNER'S REPRESENTATIVE (Architect, Engineer or other party):

Withers and Ravenel Inc.  
115 MacKenan Drive  
Cary, NC 27511

Printed in cooperation with the American Institute of Architects (AIA) by Chubb. The language in this document conforms to the language used in AIA Document A312™ - 2010.

1. The Contractor and the Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.
2. If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except when applicable to participate in a conference as provided in Section 3.
3. If there is no Owner Default under the Construction Contract, the Surety's obligation under this Bond shall arise after:
  - 1 the Owner first provides notice to the Contractor and the Surety that the Owner is considering declaring a Contractor Default. Such notice shall indicate whether the Owner is requesting a conference among the Owner, Contractor and Surety to discuss the Contractor's performance. If the Owner does not request a conference, the Surety may, within five (5) business days after receipt of the Owner's notice, request such a conference. If the Surety timely requests a conference, the Owner shall attend. Unless the Owner agrees otherwise, any conference requested under this Section 3.1 shall be held within ten (10) business days of the Surety's receipt of the Owner's notice. If the Owner, the Contractor and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement shall not waive the Owner's right, if any, subsequently to declare a Contractor Default;
  - 2 the Owner declares a Contractor Default, terminates the Construction Contract and notifies the Surety; and
  - 3 the Owner has agreed to pay the Balance of the Contract Price in accordance with the terms of the Construction Contract to the Surety or to a contractor selected to perform the Construction Contract.
4. Failure on the part of the Owner to comply with the notice requirement in Section 3.1 shall not constitute a failure to comply with a condition precedent to the Surety's obligations, or release the Surety from its obligations, except to the extent the Surety demonstrates actual prejudice.
5. When the Owner has satisfied the conditions of Section 3, the Surety shall promptly and at the Surety's expense take one of the following actions:
  - 5.1 Arrange for the Contractor, with consent of the Owner, to perform and complete the Construction Contract;
  - 5.2 Undertake to perform and complete the Construction Contract itself, through its agents or independent contractors;
  - 5.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and a contractor selected with the Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Section 7 in excess of the Balance of the Contract Price incurred by the Owner as a result of Contractor Default; or
  - 5.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances:
    - 1 After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, make payment to the Owner; or
    - 2 Deny liability in whole or in part and notify the Owner, citing the reasons for denial.
6. If the Surety does not proceed as provided in Section 5 with reasonable promptness, the Surety shall be deemed to be in default on this Bond seven days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Section 5.4, and the Owner refuses the payment or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.

7. If the Surety elects to act under Section 5.1, 5.2 or 5.3, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. Subject to commitment by the Owner to pay the Balance of the Contract Price, the Surety Is obligated, without duplication, for
  - 1 the responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;
  - 2 additional legal, design professional and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Section 5; and
  - 3 liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor.
8. If the Surety elects to act under Section 5.1, 5.3 or 5.4, the Surety's liability is limited to the amount of this Bond.
9. The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators successors and assigns.
10. The surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.
11. Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after a declaration of Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.
12. Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears.
13. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirements shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.
14. **DEFINITIONS**
  - 14.1 **Balance of the Contract Price:** The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made, including allowance to the Contractor of any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract.
  - 14.2 **Construction Contract:** The agreement between the Owner and the Contractor identified on the cover page, including all Contract Documents and changes made to the agreement and the Contract Documents.
  - 14.3 **Contractor Default:** Failure of the Contractor, which has not been remedied nor waived, to perform or otherwise to comply with the term of the Construction Contract.
  - 14.4 **Owner Default:** Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.
  - 14.5 **Contract Documents:** All the documents that comprise the agreement between the Owner and Contractor.
15. If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

**16 MODIFICATIONS TO THIS BOND ARE AS FOLLOWS:**

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL

Company: \_\_\_\_\_  
(Corporate Seal)

SURETY

Company: \_\_\_\_\_  
(Corporate Seal)

**Federal Insurance Company**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Name and Title:

Name and Title:

Address:

Address:

Power of Attorney

Federal Insurance Company | Vigilant Insurance Company | Pacific Indemnity Company

Know All by These Presents, That FEDERAL INSURANCE COMPANY, an Indiana corporation, VIGILANT INSURANCE COMPANY, a New York corporation, and PACIFIC INDEMNITY COMPANY, a Wisconsin corporation, do each hereby constitute and appoint Anna Childress, Mark W. Edwards II, Alisa B. Ferris, Robert R. Freel, Richard H. Mitchell, William M. Smith and Jeffrey M. Wilson of Birmingham, Alabama; Robert Read Davis of Atlanta, Georgia; Richard E. Daniels of Pensacola, Florida and Robert M. Verdin of Metairie, Louisiana

each as their true and lawful Attorney-in-Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety thereon or otherwise, bonds and undertakings and other writings obligatory in the nature thereof (other than bail bonds) given or executed in the course of business, and any instruments amending or altering the same, and consents to the modification or alteration of any instrument referred to in said bonds or obligations.

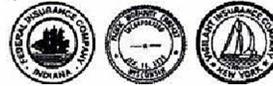
In Witness Whereof, said FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY have each executed and attested these presents and affixed their corporate seals on this 7th day of May, 2019.

Dawn M. Chloros

Dawn M. Chloros, Assistant Secretary

Stephen M. Haney

Stephen M. Haney, Vice President



STATE OF NEW JERSEY

County of Hunterdon

ss.

On this 7th day of May, 2019, before me, a Notary Public of New Jersey, personally came Dawn M. Chloros, to me known to be Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY, the companies which executed the foregoing Power of Attorney, and the said Dawn M. Chloros, being by me duly sworn, did depose and say that she is Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY and knows the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereto affixed by authority of said Companies; and that she signed said Power of Attorney as Assistant Secretary of said Companies by like authority; and that she is acquainted with Stephen M. Haney, and knows him to be Vice President of said Companies; and that the signature of Stephen M. Haney, subscribed to said Power of Attorney is in the genuine handwriting of Stephen M. Haney, and was thereto subscribed by authority of said Companies and in deponent's presence.

Notarial Seal



ROSE CURTIS
NOTARY PUBLIC OF NEW JERSEY
No. 50072400
Commission Expires November 22, 2022

Rose Curtis
Notary Public

CERTIFICATION

Resolutions adopted by the Boards of Directors of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY on August 30, 2016:

"RESOLVED, that the following authorizations relate to the execution, for and on behalf of the Company, of bonds, undertakings, recognizances, contracts and other written commitments of the Company entered into in the ordinary course of business (each a "Written Commitment"):

- (1) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized to execute any Written Commitment for and on behalf of the Company, under the seal of the Company or otherwise.
(2) Each duly appointed attorney-in-fact of the Company is hereby authorized to execute any Written Commitment for and on behalf of the Company, under the seal of the Company or otherwise, to the extent that such action is authorized by the grant of powers provided for in such person's written appointment as such attorney-in-fact.
(3) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized, for and on behalf of the Company, to appoint in writing any person the attorney-in-fact of the Company with full power and authority to execute, for and on behalf of the Company, under the seal of the Company or otherwise, such Written Commitments of the Company as may be specified in such written appointment, which specification may be by general type or class of Written Commitments or by specification of one or more particular Written Commitments.
(4) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized, for and on behalf of the Company, to delegate in writing to any other officer of the Company the authority to execute, for and on behalf of the Company, under the Company's seal or otherwise, such Written Commitments of the Company as are specified in such written delegation, which specification may be by general type or class of Written Commitments or by specification of one or more particular Written Commitments.
(5) The signature of any officer or other person executing any Written Commitment or appointment or delegation pursuant to this Resolution, and the seal of the Company, may be affixed by facsimile on such Written Commitment or written appointment or delegation.

FURTHER RESOLVED, that the foregoing Resolution shall not be deemed to be an exclusive statement of the powers and authority of officers, employees and other persons to act for and on behalf of the Company, and such Resolution shall not limit or otherwise affect the exercise of any such power or authority otherwise validly granted or vested."

I, Dawn M. Chloros, Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY (the "Companies") do hereby certify that

- (i) the foregoing Resolutions adopted by the Board of Directors of the Companies are true, correct and in full force and effect,
(ii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seals of said Companies at Whitehouse Station, NJ, this



Dawn M. Chloros

Dawn M. Chloros, Assistant Secretary

IN THE EVENT YOU WISH TO VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT:
Telephone (908) 903-3493 Fax (908) 903-3656 e-mail: surety@chubb.com

Federal Insurance Company

AIA Document A312™ - 2010 Payment Bond

Bond No. K40224646

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

CONTRACTOR

(Name, legal status and address):

Fieldturf USA, Inc.  
7445 Cote-de-Liesse Road, Suite 200  
Montreal, Quebec, Canada, H4T 1G2  
OWNER

(Name, legal status and address):

Town of Apex  
73 Hunter Street  
Apex, NC 27502

CONSTRUCTION CONTRACT

Date:

Amount: \$673,135.88 Six Hundred Seventy Three Thousand One Hundred Thirty Five Dollars and 88/100

Description (Name and Location): Installation of Synthetic Turf at Salem Pond Park, 6112 Old Jenks Road, Apex, NC 27502, KPN Contract # 201801-01, State of North Carolina, County of Wake, Town of Apex

BOND

Date (Not earlier than Construction Contract Date):

Amount: \$673,135.88 Six Hundred Seventy Three Thousand One Hundred Thirty Five Dollars and 88/100

Modifications to this Bond:

None  See Page 4

CONTRACTORS AS PRINCIPAL

Company:

Fieldturf USA, Inc.

(Corporate Seal)



Signature:

*Pedro M. Azevedo*

Name and Title: Pedro Azevedo, Chief Financial Officer

SURETY

Company:

Federal Insurance Company

(Corp)



Signature:

*Jeffrey M. Wilson*

Attorney-in-Fact Name: Jeffrey M. Wilson

Signed and Sealed this \_\_\_\_\_ day of \_\_\_\_\_  
(Any additional signatures appear on the last page of this Performance Bond.)

(FOR INFORMATION ONLY – Name, Address and Telephone)

AGENT or BROKER:  
McGriff, Seibels & Williams, Inc.  
2211 7th Avenue South  
Birmingham, AL 35233  
205-252-9871

OWNER'S REPRESENTATIVE (Architect, Engineer or other party)  
Withers and Ravenel Inc.  
115 MacKenan Drive  
Cary, NC 27511

1. The Contractor and the Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner to pay for labor, materials and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference, subject to the following terms.
2. If the Contractor promptly makes payment of all sums due to Claimants, and defends, indemnifies and holds harmless the Owner from claims, demands, liens or suits by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract, then the Surety and the Contractor shall have no obligation under this Bond.
3. If there is no Owner Default under the Construction Contract, the Surety's obligation to the Owner under this Bond shall arise after the Owner has promptly notified the Contractor and the Surety (at the address described in Section 13) of claims, demands, liens or suits against the Owner or the Owner's property by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract and tendered defense of such claims, demands, liens or suits to the Contractor and the Surety.
4. When the Owner has satisfied the conditions in Section 3, the Surety shall promptly and at the Surety's expense defend, indemnify and hold harmless the Owner against a duly tendered claim, demand, lien or suit.
5. The Surety's obligations to a Claimant under this Bond shall arise after the following:
  - 5.1 Claimants, who do not have a direct contract with the Contractor,
    - .1 have furnished a written notice of non-payment to the Contractor, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were, or equipment was, furnished or supplied or for whom the labor was done or performed, within ninety (90) days after having last performed labor or last furnished materials or equipment included in the Claim; and
    - .2 have sent a Claim to the Surety (at the address described in Section 13).
  - 5.2 Claimants, who are employed by or have a direct contract with the Contractor, have sent a Claim to the Surety (at the address described in Section 13).
6. If a notice of non-payment required by Section 5.1.1 is given by the Owner to the Contractor, that is sufficient to satisfy a Claimant's obligation to furnish a written notice of non-payment under Section 5.1.1.
7. When a Claimant has satisfied the conditions of Sections 5.1 or 5.2, whichever is applicable, the Surety shall promptly and at the Surety's expense take the following actions:
  - 7.1 Send an answer to the Claimant, with a copy to the Owner, within sixty (60) days after receipt of the Claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed; and
  - 7.2 Pay or arrange for payment of any undisputed amounts.
- 7.3 The Surety's failure to discharge its obligations under Section 7.1 or Section 7.2 shall not be deemed to constitute a waiver of defenses the Surety or Contractor may have or acquire as to a Claim, except as to undisputed amounts for which the Surety and Claimant have reached agreement. If, however, the Surety fails to discharge its obligations under Section 7.1 or Section 7.2, the Surety shall indemnify the Claimant for the reasonable attorney's fees the Claimant incurs thereafter to recover any sums found to be due and owing the Claimant.
8. The Surety's total obligation shall not exceed the amount of this Bond, plus the amount of reasonable attorney's fees provided under Section 7.3, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.
9. Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any construction performance bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and the Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.

10. The Surety shall not be liable to the Owner, Claimants or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for the payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligations to make payments to, or give notice on behalf of, Claimants or otherwise have any obligations to Claimants under this Bond.
11. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.
12. No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the state in which the project that is subject of the Construction Contract is located or after the expiration of one year from the date (1) on which the Claimant sent a Claim to the Surety pursuant to Section 5.1.2 or 5.2, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.
13. Notice and Claims to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the page which their signature appears. Actual receipt of notice or Claims, however accomplished, shall be sufficient compliance as of the date received.
14. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.
15. Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor and Owner shall promptly furnish a copy of this Bond or shall permit a copy to be made.

## 16. DEFINITIONS

**16.1 Claim.** A written statement by the Claimant including at a minimum:

- .1 the name of the Claimant;
- .2 the name of the person for whom the labor was done, or materials or equipment furnished;
- .3 a copy of the agreement or purchase order pursuant to which labor, materials or equipment was furnished for use in the performance of the Construction Contract;
- .4 a brief description of the labor, materials or equipment furnished;
- .5 the date on which the Claimant last performed labor or last furnished materials or equipment for use in the performance of the Construction Contract;
- .6 the total amount earned by the Claimant for labor, materials or equipment furnished as of the date of the Claim;
- .7 the total amount of previous payments received by the Claimant; and,
- .8 the total amount due and unpaid to the Claimant for labor, materials or equipment furnished as of the date of the Claim.

**16.2 Claimant:** An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials, or equipment for use in the performance of the Construction Contract. The term Claimant also includes any individual or entity that has rightfully asserted a claim under an applicable mechanic's lien or similar statute against the real property upon which the Project is located. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas power, light, heat, oil gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor

and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.

**16.3 Construction Contract:** The agreement between the Owner and the Contractor identified on the cover page, including all Contract Documents and all changes made to the agreement and the Contract Documents.

**16.4 Owner Default:** Failure of the Owner, which has neither been remedied nor waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

**16.5 Contract Documents.** All the documents that comprise the agreement between the Owner and Contractor.

**17.** If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

**18. MODIFICATIONS TO THIS BOND ARE AS FOLLOWS:**

**18.1** "Claim notices for FEDERAL INSURANCE COMPANY must be sent to the following address: Chubb, PO Box 2191, Chesapeake, Virginia 23327, Attention: Surety Support Team."

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL  
Company: \_\_\_\_\_ (Corporate Seal)

SURETY  
Company: \_\_\_\_\_ (Corporate Seal)  
**Federal Insurance Company**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Name and Title:

Name and Title:

Address:

Address:

Power of Attorney

Federal Insurance Company | Vigilant Insurance Company | Pacific Indemnity Company

Know All by These Presents, That FEDERAL INSURANCE COMPANY, an Indiana corporation, VIGILANT INSURANCE COMPANY, a New York corporation, and PACIFIC INDEMNITY COMPANY, a Wisconsin corporation, do each hereby constitute and appoint Anna Childress, Mark W. Edwards II, Alisa B. Ferris, Robert R. Freel, Richard H. Mitchell, William M. Smith and Jeffrey M. Wilson of Birmingham, Alabama; Robert Read Davis of Atlanta, Georgia; Richard E. Daniels of Pensacola, Florida and Robert M. Verdin of Metairie, Louisiana

each as their true and lawful Attorney-in-Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety thereon or otherwise, bonds and undertakings and other writings obligatory in the nature thereof (other than bail bonds) given or executed in the course of business, and any instruments amending or altering the same, and consents to the modification or alteration of any instrument referred to in said bonds or obligations.

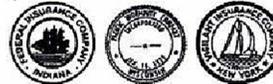
In Witness Whereof, said FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY have each executed and attested these presents and affixed their corporate seals on this 7th day of May, 2019.

Dawn M. Chloros

Dawn M. Chloros, Assistant Secretary

Stephen M. Haney

Stephen M. Haney, Vice President



STATE OF NEW JERSEY

County of Hunterdon

ss.

On this 7th day of May, 2019, before me, a Notary Public of New Jersey, personally came Dawn M. Chloros, to me known to be Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY, the companies which executed the foregoing Power of Attorney, and the said Dawn M. Chloros, being by me duly sworn, did depose and say that she is Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY and knows the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereto affixed by authority of said Companies; and that she signed said Power of Attorney as Assistant Secretary of said Companies by like authority; and that she is acquainted with Stephen M. Haney, and knows him to be Vice President of said Companies; and that the signature of Stephen M. Haney, subscribed to said Power of Attorney is in the genuine handwriting of Stephen M. Haney, and was thereto subscribed by authority of said Companies and in deponent's presence.

Notarial Seal



ROSE CURTIS
NOTARY PUBLIC OF NEW JERSEY
No. 50072400
Commission Expires November 22, 2022

Rose Curtis
Notary Public

CERTIFICATION

Resolutions adopted by the Boards of Directors of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY on August 30, 2016:

"RESOLVED, that the following authorizations relate to the execution, for and on behalf of the Company, of bonds, undertakings, recognizances, contracts and other written commitments of the Company entered into in the ordinary course of business (each a "Written Commitment"):

- (1) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized to execute any Written Commitment for and on behalf of the Company, under the seal of the Company or otherwise.
(2) Each duly appointed attorney-in-fact of the Company is hereby authorized to execute any Written Commitment for and on behalf of the Company, under the seal of the Company or otherwise, to the extent that such action is authorized by the grant of powers provided for in such person's written appointment as such attorney-in-fact.
(3) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized, for and on behalf of the Company, to appoint in writing any person the attorney-in-fact of the Company with full power and authority to execute, for and on behalf of the Company, under the seal of the Company or otherwise, such Written Commitments of the Company as may be specified in such written appointment, which specification may be by general type or class of Written Commitments or by specification of one or more particular Written Commitments.
(4) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized, for and on behalf of the Company, to delegate in writing to any other officer of the Company the authority to execute, for and on behalf of the Company, under the Company's seal or otherwise, such Written Commitments of the Company as are specified in such written delegation, which specification may be by general type or class of Written Commitments or by specification of one or more particular Written Commitments.
(5) The signature of any officer or other person executing any Written Commitment or appointment or delegation pursuant to this Resolution, and the seal of the Company, may be affixed by facsimile on such Written Commitment or written appointment or delegation.

FURTHER RESOLVED, that the foregoing Resolution shall not be deemed to be an exclusive statement of the powers and authority of officers, employees and other persons to act for and on behalf of the Company, and such Resolution shall not limit or otherwise affect the exercise of any such power or authority otherwise validly granted or vested."

I, Dawn M. Chloros, Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY (the "Companies") do hereby certify that

- (i) the foregoing Resolutions adopted by the Board of Directors of the Companies are true, correct and in full force and effect,
(ii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seals of said Companies at Whitehouse Station, NJ, this



Dawn M. Chloros

Dawn M. Chloros, Assistant Secretary

IN THE EVENT YOU WISH TO VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT:
Telephone (908) 903-3493 Fax (908) 903-3656 e-mail: surety@chubb.com

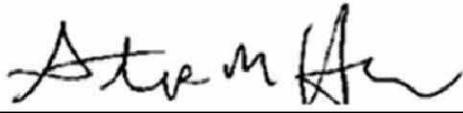
**SURETY BOND CORPORATE SEAL NOTICE AND ADDENDUM**

In an effort to facilitate the use of our respective corporate seals during the COVID-19 pandemic, FEDERAL INSURANCE COMPANY (“FEDERAL”) has authorized its respective Attorneys-in-Fact to affix FEDERAL’S corporate seal to any surety bond executed on behalf of FEDERAL by any such Attorney-in-Fact by attaching this Notice and Addendum to said bond.

To the extent this Notice and Addendum is attached to a surety bond that is executed on behalf of FEDERAL by its Attorney-in-Fact, FEDERAL hereby agrees that the corporate seal below for FEDERAL shall be deemed affixed to said bond to the same extent as if its raised corporate seal was physically affixed to the face of the bond.

Dated this 30th day of March, 2020.

FEDERAL INSURANCE COMPANY

By:   
Stephen M. Haney, Vice President







**ADDITIONAL REMARKS SCHEDULE**

AGENCY Willis Towers Watson Northeast, Inc.		NAMED INSURED Fieldturf USA, Inc. c/o Sports Division Tarkett Inc. 7445 Cote-de-Liesse Road, Suite 200 Montreal, QC H4T 1G2 CAN	
POLICY NUMBER See Page 1		EFFECTIVE DATE: See Page 1	
CARRIER See Page 1	NAIC CODE See Page 1		

**ADDITIONAL REMARKS**

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,  
 FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

Town of Apex is included as an Additional Insured as respects to General Liability and Auto Liability policy, as respects to the liability arising out of ongoing and completed operations performed on the project specified in the construction contract for the period of time required within the contract.

It is further agreed that such insurance as is afforded shall be Primary and Non-contributory with any other insurance in force for or which may be purchased by the Additional Insured, where required by written contract executed prior to loss and permitted by law.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
<p>Any person or organization that you are required in a written contract or written agreement to include as an additional insured provided the "Bodily Injury" or "Property Damage" occurs subsequent to the execution of the written contract or written agreement.</p>	<p>As required per written contract</p>
<p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>	

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

**C.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or

2. Available under the applicable Limits of Insurance shown in the Declarations; whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**SCHEDULE**

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
Any person or organization that you are required in a written contract or written agreement to include as an additional insured provided the "Bodily Injury" or "Property Damage" occurs subsequent to the execution of the written contract or written agreement.	As required per written contract
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and

2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**BLANKET ADDITIONAL INSURED-PRIMARY AND  
NON-CONTRIBUTORY WITH OTHER INSURANCE**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

**PROVISIONS**

- 1. The following is added to Paragraph **A.1.c., Who Is An Insured, of SECTION II – COVERED AUTOS LIABILITY COVERAGE:**

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to be named as an additional insured is an "insured" for Covered Autos Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the *Who Is An Insured* provision contained in **SECTION II.**

- 2. The following is added to Paragraph **B.5., Other Insurance of SECTION IV – BUSINESS AUTO CONDITIONS:**

Regardless of the provisions of paragraph **a.** and paragraph **d.** of this part **5. Other Insurance**, this insurance is primary to and non-contributory with applicable other insurance under which an additional insured person or organization is the first named insured when the written contract or agreement between you and that person or organization, that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, requires this insurance to be primary and non-contributory.

# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: CONSENT AGENDA  
Meeting Date: December 15, 2020

## Item Details

Presenter(s): Marty Stone, Assistant Town Manager  
Department(s): Administration

### Requested Motion

Motion to approve an Encroachment Agreement and to authorize the Town Manager to execute the same for Lennar Carolinas, LLC to install a private water line that will encroach on the Town's right-of-way and public drainage easement.

### Approval Recommended?

Yes

### Item Details

Approve Encroachment Agreement between the Town and property owner, Lennar Carolinas, LLC. Lennar Carolinas, LLC desires to encroach into certain street right(s) of way and public drainage easement(s) (hereinafter collectively "ROW" and "PDE") under the Town's jurisdiction in the subdivision known as Smith Farm PUD, Phase 2B shown on the plat recorded in Book of Maps 2019, Page 01882. Lennar Carolinas, LLC wishes to install a private waterline of which 36' LF will encroach into the Town's ROW on Long Wheat Alley and 25' LF will encroach into the Town's 20' PDE.

### Attachments

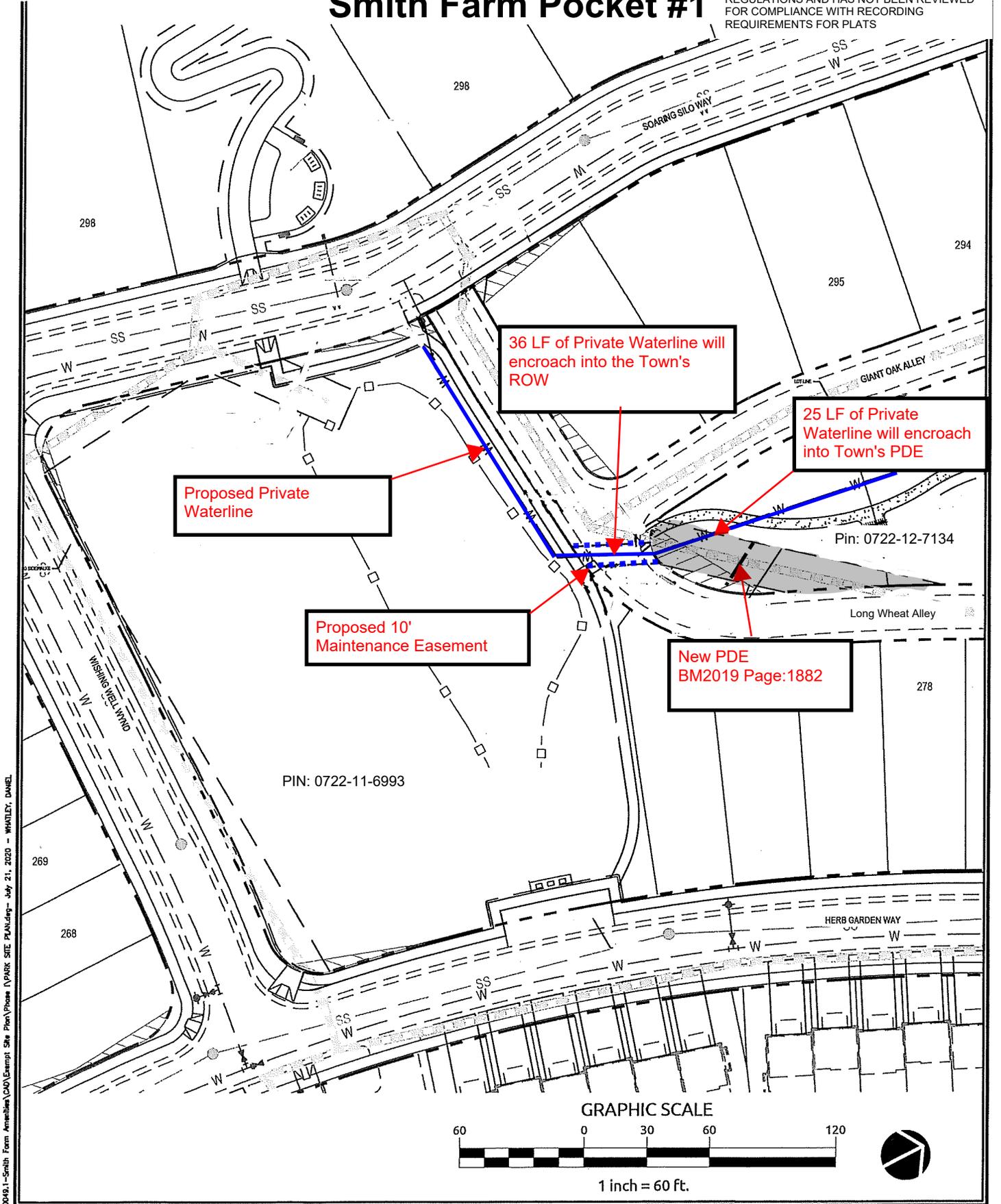
- Encroachment Agreement
- Exhibit A



# EXHIBIT A

## Smith Farm Pocket #1

THIS MAY NOT BE A CERTIFIED SURVEY AND HAS NOT BEEN REVIEWED BY LOCAL GOVERNMENT AGENCY FOR COMPLIANCE WITH ANY APPLICABLE LAND DEVELOPMENT REGULATIONS AND HAS NOT BEEN REVIEWED FOR COMPLIANCE WITH RECORDING REQUIREMENTS FOR PLATS



K:\1717-0040\170040.1-Smith Farm Amenity\GIS\Exempt Site Plan\Phase 1\SMITH SITE PLAN.dwg - July 21, 2020 - WHATLEY, DANIEL

SMITH FARM POCKET  
PARK #1

ENCROACHMENT EXHIBIT

After Recording Mail To:   Development Services  
  Town of Apex  
  PO Box 250  
  Apex, NC 27502

**STATE OF NORTH CAROLINA  
COUNTY OF WAKE**

**ENCROACHMENT AGREEMENT**

THIS ENCROACHMENT AGREEMENT, being made this \_\_\_\_\_ day of \_\_\_\_\_, 2020, by and between Lennar Carolinas, LLC, hereinafter referred to as "Grantee," and the Town of Apex, hereinafter referred to as the "Town."

WHEREAS, Grantee desires to encroach into certain street right(s) of way and public drainage easement(s) (hereinafter **collectively "ROW" and "PDE"**) under the Town's jurisdiction in the subdivision known as **Smith Farm PUD, Phase 2B**, as shown on the plat recorded in **Book of Maps 2019, Page 01882**, Wake County Registry (hereinafter the **"Subdivision Plat"**); and

WHEREAS, Grantee wishes to install certain improvements, more particularly described as a **private waterline of which 36' LF will encroach into the Town's Right of Way on Long Wheat Alley. Additionally, 25' LF of private waterline will encroach into the Town's 20' Public Drainage Easement**, hereinafter referred to as the **"Encroachments"**, as shown on the attached **Exhibit A**.

WHEREAS, the Town, under the terms and conditions herein set forth, is willing to allow the above-described Encroachments upon the **ROW and the PDE**.

NOW, THEREFORE, in consideration of these promises and other consideration, the receipt and sufficiency of which is hereby acknowledged, Grantee and the Town hereby covenant and agree:

1. Subject to the terms herein, the Town agrees to allow Grantee, and Grantees' successors and assigns at Grantee sole risk and expense, to encroach into the **ROW and PDE** of the Town as shown in the attached **Exhibit A**, and incorporated by reference as though fully set forth herein.
2. The Encroachments shall not be enlarged or increased beyond the Encroachments shown in **Exhibit A** and described in this Encroachment Agreement. Grantee is responsible for any and all expenditures of labor or materials required for the installation, erection, repair, removal, or maintenance of the above-referenced Encroachments.
3. Grantee is fully responsible for any and all property damage or injury or death of any person which results from any and all negligence, omission, defect in design, maintenance, or workmanship created by the Encroachments described herein, or any cause of action arising out of the installation, maintenance, removal, destruction, or location of said Encroachments.
4. Grantee agrees to and does hereby hold the Town, its officers, council members and employees harmless from any and all liability arising out of such negligence, omission, defect or other cause of action; that it will defend the Town, its officers, council members and employees, and pay all attorney fees in any and all actions brought as a result of such; and that it will indemnify the Town, its officers, council members, and employees against any and all loss sustained by reason of such negligence, omission, defect, or other cause of action, claim, cost, or expense arising out of the installation, maintenance, removal, or location of said Encroachments.
5. Sections 3 and 4 shall survive the termination of this Encroachment Agreement for any reason.

6. All notices required herein shall be deemed given by depositing such in the United States mail, first class, and addressed to:

To Town: Town Manager  
Town of Apex  
PO Box 250  
Apex, NC 27502

To Grantee: Lennar Carolinas, LLC  
1100 Perimeter Park Drive, Suite 112  
Morrisville, NC 27560-9119

7. In the event there is a dispute between the parties concerning the interpretation of the terms of this Encroachment Agreement or their respective rights and obligations hereunder, such dispute or controversy shall be adjudged pursuant to the laws of the State of North Carolina.

8. Grantee agrees to abide by all applicable laws, regulations, statutes and ordinances.

9. This Encroachment Agreement shall not divest the Town of any rights or interest in said **ROW and PDE**. The Town may terminate this Encroachment Agreement by giving Grantee ninety (90) days written notice of termination. Prior to the termination date, Grantee shall remove, at its own expense, all or part of the Encroachments as specified by the Town.

10. If the Town deems, within its sole discretion, that there is not time to give the Grantee notice as provided in Paragraph 9 and that removal of the Encroachments is necessary in order to operate, protect, maintain, modify, replace, add-to or improve its facilities located within the **ROW and PDE**, then no notice shall be required and the Town may remove the Encroachments from the **ROW and PDE** without cost, risk or liability to the Town.

11. Grantee agrees to pay and reimburse the Town the entire expense and cost of removal of the Encroachments in the event that the Town removes the Encroachments as provided in the Paragraph 10 or if Grantee fails to remove the Encroachments within the time limit after receiving notice under Paragraph 9.

12. Grantee, during the life of this Encroachment Agreement, agrees to procure or cause to be procured from a responsible insurance carrier or carriers authorized under the laws of the State of North Carolina, insurance in the minimum amounts of \$300,000/\$500,000/\$300,000 covering full liability for any and all personal injury, property damage or wrongful death caused by the construction, maintenance, location, repair or visual obstruction of said Encroachments. Grantee shall furnish the Town, without demand, each July a certification from the insurance carrier or carriers with whom the insurance herein mentioned is carried, stating that such compensation is covered by such carrier or carriers and showing such insurance to be in full force and effect. Both Grantee and the Town shall be named as insured parties by endorsement of the policy. In the event of any change in the insurance policy, Grantee shall give the Town thirty (30) days notice of such change. Should Grantee fail to pay premiums upon said insurance or to perform any of the agreement, terms or conditions herein contained, the Town, at its option, by written notice may declare this Encroachment Agreement canceled and terminated and all rights acquired hereunder by Grantee shall thereupon terminate.

13. Notwithstanding Section 14 below, Grantee shall be released from its obligation under this Encroachment Agreement only upon the assumption of said obligations either by a successor in title to real property known as Public Right of Way and Public Drainage Easement or by assumption of said obligations by an incorporated property or condominium owners association for **Lennar Carolinas, LLC Smith Farm PUD Phase 2B Subdivision**. The Town's consent to such assumption and release shall be required but shall not be withheld, conditioned or delayed if, as reasonably determined by the Town, the party assuming Grantee obligations possesses adequate financial resources and ownership interest, and Grantee delegate and proposed assignee assume and agree to fulfill, in writing, all of Grantee duties set forth in this Encroachment Agreement.

14. The right to encroach is appurtenant to and runs with the land hereinabove referred to and shall forever be subject to the conditions above agreed on between the parties. This Encroachment Agreement is binding upon the heirs, assigns, transferees, and successors in interest of the Grantee and shall, upon execution, be recorded in the Office of the Register of Deeds of Wake County, North Carolina.

In testimony whereof, said Grantee and said Town have here unto set their hands and seals, the day and year first above written.

**GRANTEE**

**Lennar Carolinas, LLC**

By:  (SEAL)  
Troy George  
Vice President

NORTH CAROLINA  
COUNTY OF Wake [county in which acknowledgement taken]

I, do hereby certify that **Troy George** personally appeared before me this day and acknowledged that he is the **Vice President** for **Lennar Carolinas, LLC** Grantee herein, and that by authority duly given as **Vice President** for the company, the foregoing instrument was signed and sealed by him on behalf of the company and acknowledged said writing to be the act and deed of said company.

Witness my hand and official stamp or seal, this 18 day of November, 2020.

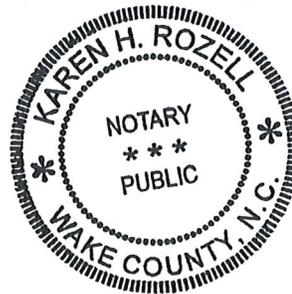


[Signature of Notary Public]

Karen H Rozell

(Affix Notarial Stamp-Seal)

My Commission Expires: 4-17-2025



TOWN OF APEX

\_\_\_\_\_  
Andrew L. Havens  
Town Manager

(Corporate Seal)

ATTEST:

\_\_\_\_\_  
Donna B. Hosch, MMC, NCCMC  
Town Clerk

STATE OF NORTH CAROLINA

COUNTY OF \_\_\_\_\_ [county in which acknowledgement taken]

I, \_\_\_\_\_, a Notary Public of \_\_\_\_\_ County, North Carolina, certify that **Donna B. Hosch** personally came before me this day and acknowledged that she is **Town Clerk** of the **Town of Apex, a North Carolina Municipal Corporation**, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its **Town Manager**, sealed with its corporate seal and attested by her as its **Town Clerk**.

Witness my hand and official stamp or seal, this \_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
[Signature of Notary Public]

(Seal)

My Commission Expires: \_\_\_\_\_

# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: CONSENT AGENDA

Meeting Date: Dec 15, 2020

## Item Details

Presenter(s): Mitch McKinney, Deputy Chief of Police

Department(s): Police

### Requested Motion

Motion to approve one "Chief of Police" badge and one handgun (described below) be declared "surplus", that the price for such handgun be set at \$1.00 (One Dollar), and that the badge and handgun be awarded to Retiring Police Chief John W. Letteney.

### Approval Recommended?

Yes

### Item Details

North Carolina General Statute 20-187.2(a) allows the governing body of a municipality to, upon request, declare as surplus the badge and side arm of a retiring police officer. The statute states that the badge is to be awarded at "no cost" to the retiring member and that the side arm be awarded "at a price determined by such governing body".

Chief Letteney will retire from the Apex Police Department as of December 31, 2020 and has made a request to be awarded his badge and service handgun.

In recognition of his 8 years of service in law enforcement to the Apex Police Department, Deputy Chief McKinney requests that one "Chief of Police" badge and one handgun (described below) be declared "surplus", that the price for such handgun be set at \$1.00 (One Dollar) and that the badge and handgun be awarded to Retiring Police Chief John Letteney.

- Glock Model 19 9mm handgun, Serial Number XWZ729

### Attachments

- [Surplus Request Form]



**Town of Apex  
Apex, North Carolina  
Surplus Property Declaration Request**

TO: Purchasing Manager

FROM: Deputy Chief P.M. McKinney

DEPT: Police

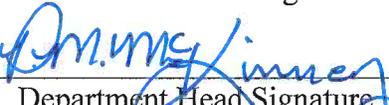
DATE: 12/07/2020

Select One

- Property should be declared surplus by the Purchasing Manager. The item(s) have an estimated value of less than \$30,000.
- Property should be declared surplus by the Town Council. The item(s) have an estimated value that exceeds \$30,000.
- Property is in serviceable condition and can be transferred to another department or stored until needed.
- Property is considered to be without value. It should be disposed of as junk property.
- Property has scrap value and will be brought to a recycling facility.

Description	Condition	Surplus or Junk	Estimated \$ Value
Glock/ G19/ Serial # XWZ-731	Good	Surplus	1.00
Chief of Police Badge	Good	Surplus	1.00

All surplus property should be sent to the Purchasing Division and checked in.

  
Department Head Signature

Received at the Purchasing Division by: \_\_\_\_\_ Date: \_\_\_\_\_

# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: CONSENT AGENDA

Meeting Date: December 15, 2020

## Item Details

Presenter(s): John M. Brown, Director

Department(s): Parks, Recreation, and Cultural Resources

### Requested Motion

Motion to approve temporary change in park hours at Apex Nature Park

### Approval Recommended?

Yes

### Item Details

Due to COVID 19, which has forced the rescheduling of some of their athletic programs, Apex Friendship and Apex High have asked the Town to work with them regarding the provision of practice and game space for their men's and women's soccer and lacrosse teams whose seasons will now start in January. Subsequently, the Town has worked with them on allotting time in the afternoons which should help. In addition, Apex Friendship High has received permission from the WCPSS to practice early mornings and is requesting that the Town open the Seymour Athletic Fields at the Apex Nature Park at 5:00am Monday-Friday mornings to accommodate 5:30am practices during specific dates in January and March. To accommodate this request, the park hours for the Nature Park will need to be adjusted via Temporary Ordinance. Park Operations would adjust their schedules according to make sure the park is open at 5:00am so the school could begin practice at 5:30am and would adjust the athletic field lighting schedule accordingly.

### Attachments

- Temporary Ordinance



**ORDINANCE NO. 2020-1215-40**

**A TEMPORARY ORDINANCE TO AMEND SECTION 15-6  
OF APEX TOWN CODE**

WHEREAS, The COVID-19 pandemic has caused the need for the Wake County Public School System (WCPSS) to reschedule selected sports programs; and

WHEREAS, The Town of Apex is able and willing to accommodate WCPSS in rescheduling select sports programs during these extraordinary times.

THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF APEX AS FOLLOWS:

**Section 1.** Subsection (a)(5) of 15-6 of the Town of Apex Code of Ordinances is hereby amended to read as follows with additions shown as bold underlined text:

**Sec. 15-6. Opening and closing town parks; remaining in parks after closing; forfeiture of right to use park.**

(5) *Nature Park and Seymour Athletic Fields:*

March through October—6:30 a.m. until 10:00 p.m.

November through February—6:30 a.m. until 8:00 p.m.

**Provided, however, that Seymour Athletic Fields multipurpose fields #1 and #2 shall open at 5:00 a.m. beginning on January 11, 2021 and ending on March 18, 2021, excluding Saturdays and Sundays.**

**Section 2.** It is the intention of the governing body, and it is hereby ordained that the provisions of this ordinance shall become and be made a part of the Code of Ordinances and the sections of this ordinance may be renumbered to accomplish such intention.

**Section 3. Severability, Conflict of Laws.** If this ordinance or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given separate effect and to the end the provisions of this ordinance are declared to be severable. All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed.

**Section 4. Effective Date.** This ordinance shall be effective upon adoption.

Introduced by Council Member: \_\_\_\_\_

Seconded by Council Member: \_\_\_\_\_

This the 15th day of December 2020.

\_\_\_\_\_  
Jacques K. Gilbert  
Mayor

ATTEST:

\_\_\_\_\_  
Donna B. Hosch, MMC, NCCMC  
Town Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Laurie L. Hohe  
Town Attorney

# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: PUBLIC HEARING  
Meeting Date: December 15, 2020

## Item Details

Presenter(s): Joanna Helms, Economic Development Director  
Department(s): Economic Development

### Requested Motion

Public Hearing and possible motion to approve the conveyance of +/-26 acres of the Cash Corporate Center located at 2100 Production Drive for \$1,955,460.00 for the purposes of Economic Development, pursuant to N.C.G.S 158-7.

### Approval Recommended?

Yes

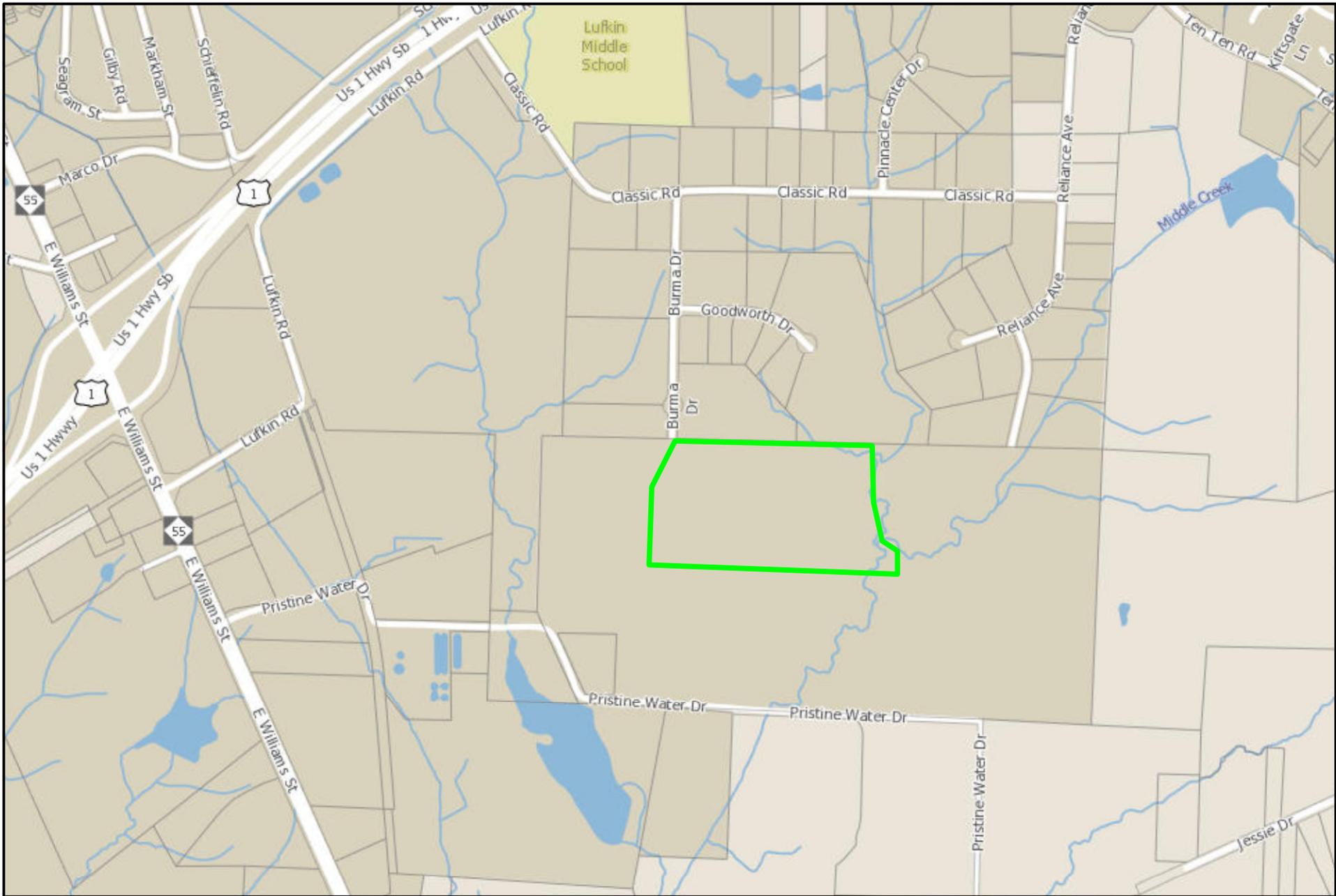
### Item Details

The Town Council previously approved an agreement with the property owner of Cash Corporate Center to co-develop a 121.3-acre site for the purpose of industrial and/or commercial recruitment and to increase the business prospects of the Town. The Town is working with a potential prospect, Project Delta, which would require around 26 acres for development. Project Delta proposes to construct a 300,000 sf facility for a distribution and office operation, employing approximately 220, and investing \$25 million. Conveying the property would position the town to achieve one of its economic development goals. The proposed sale price is \$75,210.00 per acre for a total of \$1,995,460.00.

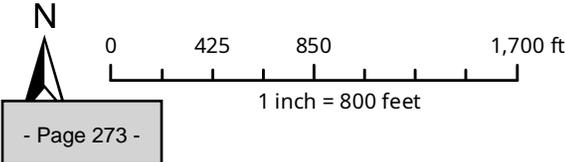
### Attachments

- Property Map





**Project Delta Property Map sketch**



**Disclaimer**  
*iMaps makes every effort to produce and publish the most current and accurate information possible. However, the maps are produced for information purposes, and are NOT surveys. No warranties, expressed or implied, are provided for the data therein, its use, or its interpretation.*

# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: PUBLIC HEARING  
Meeting Date: December 15, 2020

## Item Details

Presenter(s): Shawn Purvis, Assistant Town Manager & Amanda Grogan, Budget & Management Analyst

Department(s): Administration

### Requested Motion

Public Hearing to receive citizen input regarding the formulation of the Fiscal Year 2021-2022 Annual Budget.

### Approval Recommended?

Yes

### Item Details

It has been the custom of the Apex Town Council to hold a Public Hearing in advance of the preparation of the proposed Annual Budget so that comments and suggestions of citizens can be considered while the budget document is formulated. This Pre-Budget Hearing has been advertised on the Town's website, social media, and posted in the lobby at Town Hall.

A budget prioritization tool for citizen input has been developed and will be available on the Town's website. The tool consists of a short survey that classifies Town services under seven categories (Recreation and Cultural Opportunities, Transportation and Infrastructure, Environmental Sustainability, Economic Stability and Growth, Community Development, Public Safety and Vibrant and Accessible Downtown) and allows the public to rank components of each in order of importance to them. The results will be provided to Town Council.

Any written comments received by USPS or through the advertised special email address, [annual.budget@apexnc.org](mailto:annual.budget@apexnc.org), will be forwarded to Town Council.

### Attachments

- N/A



# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: PUBLIC HEARING  
Meeting Date: December 15, 2020

## Item Details

Presenter(s): Dianne Khin, Director of Planning and Community Development  
Department(s): Planning and Community Development

### Requested Motion

Public hearing and possible motion to adopt an Ordinance on the Question of Annexation – Apex Town Council's intent to annex MFW Investments, LLC (Colby Crossing) property containing 7.578 acres located along a portion of the future connection of Colby Chase Drive between Merion and Pemberley subdivisions, Annexation #651 into the Town's corporate limits.

### Approval Recommended?

Yes, by the Planning and Community Development Department.

### Item Details

**This item was continued from the November 4, 2020 Town Council agenda.**

The Town Clerk certifies to the investigation of said annexation.

### Attachments

- Annexation Ordinance
- Annexation Petition
- Legal Description
- Preliminary Plat





TOWN OF APEX, NORTH CAROLINA  
Municipality No. 333

After recording, please return to:  
Donna Hosch, MMC, NCCMC, Town Clerk  
Town of Apex  
P.O. Box 250  
Apex, NC 27502

ORDINANCE NO. 2020-1215-26  
ANNEXATION PETITION NO. #651  
MFW Investments, LLC (Colby Crossings)

AN ORDINANCE TO EXTEND THE CORPORATE LIMITS  
OF THE TOWN OF APEX, NORTH CAROLINA  
P.O. Box 250, Apex, North Carolina 27502

WHEREAS, the Apex Town Council has been petitioned under G.S.§160A-31, as amended, to annex the area described herein; and

WHEREAS, the Apex Town Council has by Resolution directed the Town Clerk to investigate the sufficiency of said petition; and

WHEREAS, the Town Clerk has certified the sufficiency of said petition and a public hearing on the question of this annexation was held at Apex Town Hall at 6:00 p.m. on December 15, 2020 after due notice by posting to the Town of Apex website, <http://www.apexnc.org/news/public-notice-legal-ads>; and

WHEREAS, the Apex Town Council does hereby find as a fact that said petition meets the requirements of G.S.§160A-31, as amended.

NOW, THEREFORE, BE IT ORDAINED by the Town Council of Apex, North Carolina:

Section 1. By virtue of the authority granted by G.S.§160A-31, as amended, the territory described in the attached property description and also shown as "Annexation Area" on the below identified survey plat is hereby annexed and made part of the Town of Apex, North Carolina, as of the date of adoption of this Ordinance on December 15, 2020. The survey plat that describes the annexed territory is that certain survey plat entitled "Annexation Map for the Town of Apex, Apex, NC, Wake County, White Oak Township, Bateman Civil Survey Company, dated March 26, 2020" and recorded in Book of Maps book number 2020 and page number [REDACTED], Wake County Registry.

Section 2. Upon and after the adoption of this ordinance, the territory described herein and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the Town of Apex, North Carolina, and shall be entitled to the same privileges and benefits as other parts of the Town of Apex. Said territory shall be subject to municipal taxes according to G.S.§160A-58.10, as amended.

Section 3. The Clerk of the Town of Apex, North Carolina shall cause to be recorded in the Office of the Register of Deeds of Wake County and in the Office of the Secretary of State at Raleigh, North Carolina and in the Office of the Wake County Board of Elections an accurate map of the annexed territory, described in Section 1 hereof, together with a duly certified copy of this Ordinance.

Adopted this the 15th day of December 2020.

\_\_\_\_\_  
Jacques K. Gilbert  
Mayor

ATTEST:

\_\_\_\_\_  
Donna B. Hosch, MMC, NCCMC  
Town Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Laurie L. Hohe  
Town Attorney

Legal Description

Annexation Legal Description for PIN: 0750264926

All that certain parcel of land, situated in Apex, Wake County, North Carolina, being on the lands of MFW Investments LLC as described in Deed Book 16554 at Page 2295, Wake County Records, and being more particularly described as follows:

Beginning at a Iron Pipe found at the North West property corner of MFW Investments LLC (DB 16554, PG 2295), Wake County Records and North East property corner of Pemberly Property Owners' Association (DB 16533, PG 1996), Wake County records and being designated as the Point of Beginning as shown on map entitled "Annexation Map for the Town of Apex" Apex, NC, Wake County, White Oak Township, REID# 0332044, having State Plane Coordinates N:707394.514, E:2052194.260; thence S77°55'01"E, 487.60' to an Iron Pipe set; thence S02°58'15"W, 730.66' to a Iron Pipe set; thence N82°42'02"W, 330.00' to an Iron Pipe set; thence N17°06'50"W, 433.66' to an Iron Pipe found; thence N02°26'33"E, 375.70' to an Iron Pipe found; said Iron Pipe being the Point of Beginning. Said Annexation contains 330,079 square feet / 7.578 acres, more or less.

STATE OF NORTH CAROLINA

COUNTY OF WAKE

CLERK'S CERTIFICATION

I, Donna B. Hosch, MMC, NCCMC, Town Clerk, Town of Apex, North Carolina, do hereby certify the foregoing is a true and correct copy of Annexation Ordinance No. 2020-1215-26, adopted at a meeting of the Town Council, on the 15<sup>th</sup> day of December 2020, the original of which will be on file in the Office of the Town Clerk of Apex, North Carolina.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official Seal of the Town of Apex, North Carolina, this 16<sup>th</sup> day of December 2020.

\_\_\_\_\_  
Donna B. Hosch, MMC, NCCMC  
Town Clerk

(SEAL)

## PETITION FOR VOLUNTARY ANNEXATION

This document is a public record under the North Carolina Public Records Act and may be published on the Town's website or disclosed to third parties.

Application #: 651 Submittal Date: 11-21-18  
Fee Paid \$ #200.00 Check # 5628

### TO THE TOWN COUNCIL APEX, NORTH CAROLINA

1. We, the undersigned owners of real property, respectfully request that the area described in Part 4 below be annexed to the Town of Apex, Wake County, North Carolina.
2. The area to be annexed is  contiguous,  non-contiguous (satellite) to the Town of Apex, North Carolina and the boundaries are as contained in the metes and bounds description attached hereto.
3. If contiguous, this annexation will include all intervening rights-of-way for streets, railroads and other areas as stated in G.S. 160A-31(f), unless otherwise stated in the annexation amendment.

### Owner Information

MFW Investments LLC	0750264926 Deed Book 16554, Page 2295
Owner Name (Please Print)	Property PIN or Deed Book & Page #
919-801-3905	mwhitehead@macgregordev.com
Phone	E-mail Address
Owner Name (Please Print)	Property PIN or Deed Book & Page #
Phone	E-mail Address
Owner Name (Please Print)	Property PIN or Deed Book & Page #
Phone	E-mail Address

### Surveyor Information

Surveyor: Bateman Civil Survey Company Jeff Baker  
Phone: 919-577-1080 Fax: 919-577-1081  
E-mail Address: jeff.baker@batemancivilsurvey.com

### Annexation Summary Chart

Total Acreage to be annexed:	<u>7.578</u>	Reason for annexation: (select one)	
Population of acreage to be annexed:		Receive Town Services	<u>X</u>
Existing # of housing units:		Other (please specify)	
Zoning District*:	<u>MD-CZ</u>		

\*If the property to be annexed is not within the Town of Apex's Extraterritorial Jurisdiction, the applicant must also submit a rezoning application with the petition for voluntary annexation to establish an Apex zoning designation. Please contact the Planning Department for questions.

PETITION FOR VOLUNTARY ANNEXATION

Application #: 651

Submittal Date: 11/21/18

COMPLETE IF IN A LIMITED LIABILITY COMPANY

In witness whereof, MFW Investments, LLC a limited liability company, caused this instrument to be executed in its name by a member/manager pursuant to authority duly given, this the 21 day of November, 20 18.

Name of Limited Liability Company MFW Investments, LLC

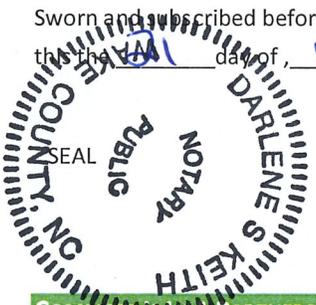
By: [Signature]  
Signature of Member/Manager

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

Sworn and subscribed before me, Darlene S. Keith, a Notary Public for the above State and County, this the 21 day of November, 20 18.

[Signature]  
Notary Public

My Commission Expires: 8-5-2022



COMPLETE IF IN A PARTNERSHIP

In witness whereof, \_\_\_\_\_, a partnership, caused this instrument to be executed in its name by a member/manager pursuant to authority duly given, this the \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

Name of Partnership \_\_\_\_\_

By: \_\_\_\_\_  
Signature of General Partner

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

Sworn and subscribed before me, \_\_\_\_\_, a Notary Public for the above State and County, this the \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_  
Notary Public

SEAL

My Commission Expires: \_\_\_\_\_



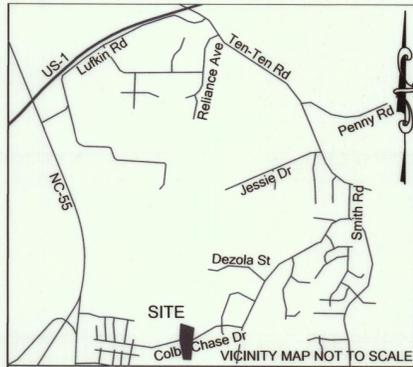
Bateman Civil Survey Company, PC  
2524 Reliance Avenue  
Apex, NC 27539

Phone: (919) 577-1080  
Fax: (919) 577-1081  
info@batemancivilsurvey.com

**Annexation Legal Description for PIN: 0750264926**

All that certain parcel of land, situated in Apex, Wake County, North Carolina, being on the lands of MFW Investments LLC as described in Deed Book 16554 at Page 2295, Wake County Records, and being more particularly described as follows:

Beginning at an Iron Pipe found at the North West property corner of MFW Investments LLC (DB 16554, PG 2295), Wake County Records and North East property corner of Pemberly Property Owners' Association (DB 16533, PG 1996), Wake County records and being designated as the Point of Beginning as shown on map made by Bateman Civil Survey Company, dated 3/26/2020 and entitled "Annexation Map for the Town of Apex" Apex, NC, Wake County, White Oak Township, REID# 0332044, having State Plane Coordinates N:707394.511, E:2052194.259;  
thence S77°53'40"E, 487.73' to an Iron Pipe set; thence S02°53'36"W, 729.80' to an Iron Pipe set; thence N82°46'39"W, 330.00' to an Iron Pipe set; thence N17°15'52"W, 434.04' to an Iron Pipe found; thence N02°27'54"E, 375.53' to an Iron Pipe found; said Iron Pipe being the Point of Beginning.  
Said Annexation contains 330,112 square feet / 7.578 acres, more or less.



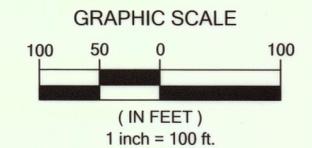
**SITE LOCATION:**  
0 E Williams Street, Apex, NC, 27539

**REFERENCES**

- Book Map 2006 Page 172
- Deed Book 16554 Page 2295

ANNEXATION # \_\_\_\_\_ I Donna B. Hosch, MMC,  
NCCMC, Town Clerk, Apex, North Carolina certify this is a true and exact map  
of annexation adopted the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by the Town  
Council. I set my hand and seal of the Town of Apex, \_\_\_\_\_  
Day / Month / Year

Donna B. Hosch, MMC, NCCMC, Town Clerk



**LEGEND**

- IRON PIPE SET
- IRON REBAR FOUND
- ⊙ IRON PIPE FOUND
- ⊗ COMPUTED POINT
- ⊠ R/W MARKER FOUND
- BOUNDARY LINE
- - - EXISTING PROPERTY LINE
- - - EXISTING EASEMENT

**NOTES:**

- This survey was prepared by Bateman Civil Survey Co., under the supervision of Jeffrey W. Baker, PLS.
- This plan has been prepared for layout and permitting purposes only.
- Property lines shown were taken from existing field evidence, existing deeds and/or plats of public record, and information supplied to the surveyor by the client
- All distances are horizontal ground distances and all bearings are North Carolina State Plane Coordinate System unless otherwise shown.
- No investigation into the existence of jurisdictional wetlands or riparian buffers performed by this firm.
- Surveyor has made no investigation or independent search for easements of record, encumbrances, restrictive covenants, ownership title evidence or any other facts that an accurate and current title search may disclose.
- No Grid Monuments found within 2000'.
- Tied to the National CORS Network through NC VRS.

**Required Base Information:**

Project Information: MFW Investment LLC  
0 E Williams Street, Apex, NC 27539 (Reid 0332044)

Owner Information: MFW Investment LLC (Reid 0203125)  
Mike Whitehead  
114 Birklands Drive, Cary, NC, 27518  
mwhitehead@macgregordev.com

Surveyor Information: Jeffrey W. Baker  
North Carolina  
L-4412

Date of Survey & Plat Preparation: 11/13/2018

Zoning District & Zoning Case #: MD-CZ

Setbacks: PUD-CZ  
Single Family: Front: 25'  
Side: 6' minimum 16' total  
Corner: 15'  
Rear: 20'  
Minimum Lot Width: 50'

Township, County, State: White Oak, Wake, North Carolina

Primary or Secondary Watershed: Secondary - Middle Creek Basin

FEMA designated floodplain: 'X' per F.I.R.M #3720075000J dated 05/02/2006

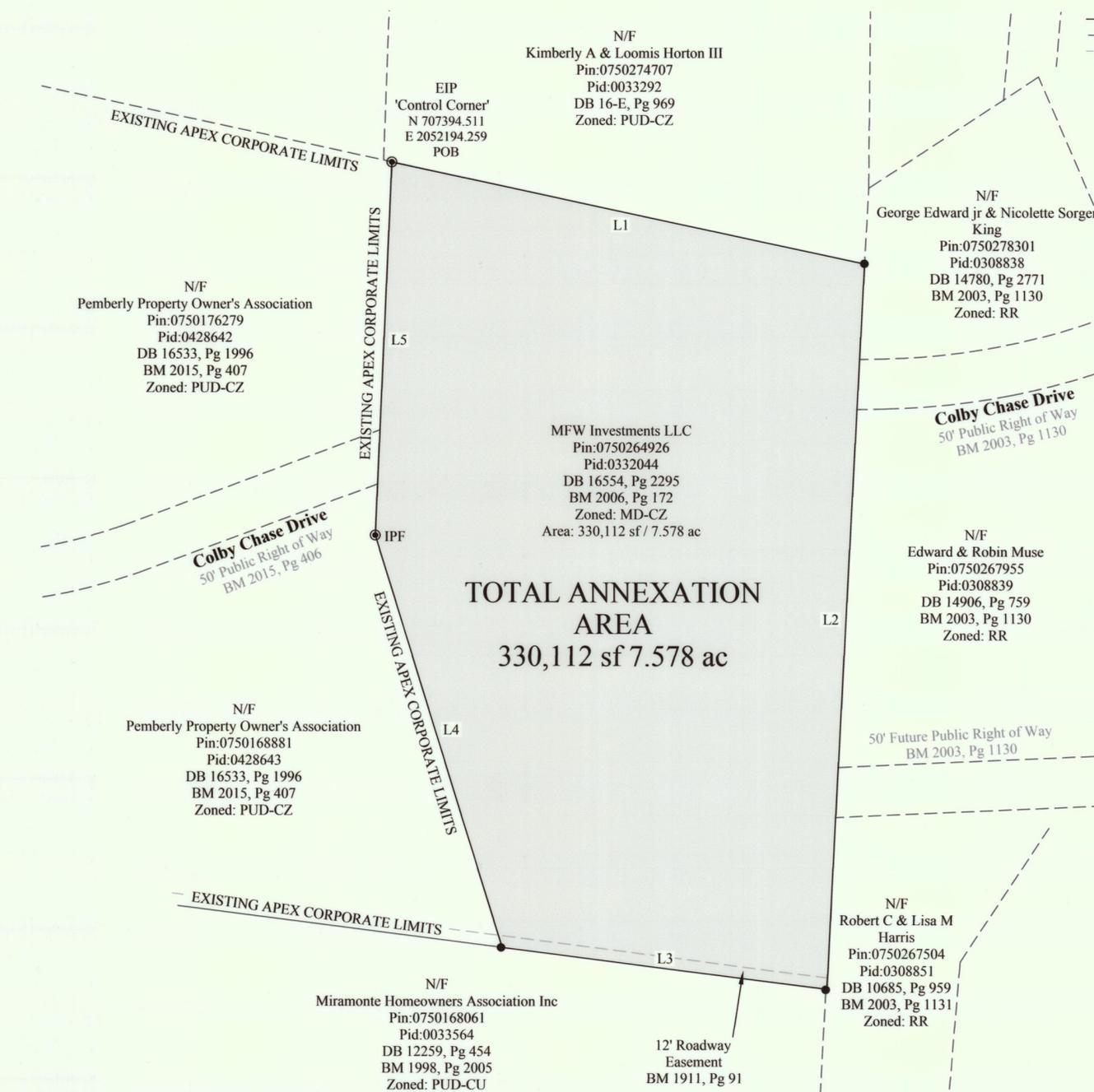
Class of Survey: D  
Positional Accuracy: 0.02'  
Date of Survey: July, 2017  
Datum/Epoch: NAD83/NSRS2011  
Geoid Model: 12B  
Combined Grid Factors: 0.99988461  
Units: US Survey Feet

"I, Jeffrey W. Baker, certify that this plat was drawn under my supervision from an actual survey made under my supervision (deed description recorded in Book 5861, page 59, Book 10551, page 648); that the boundaries not surveyed are clearly indicated as drawn from information found in Book 1988, page 754, Book 1998, Page 1820; that the ratio of precision or positional accuracy as calculated is 1:10000+; that this plat was prepared in accordance with G.S. 47-30 as amended. witness my original signature, license number and seal this 14th day of April, A.D. 2020."

*Jeffrey W. Baker*  
Professional Land Surveyor  
License Number-4412



I, Jeffrey W. Baker, Professional Land Surveyor No. L-4412 certify  
D. That the survey is of another category, such as the  
recombination of existing parcels, a court-ordered survey,  
or other exceptions to the definition of subdivision.  
*Jeffrey W. Baker* 4/14/2020  
Jeffrey W. Baker, PLS L-4412 date



Line Table Field		
Line #	Direction	Length
L1	S77°53'40"E	487.73
L2	S02°53'36"W	729.80
L3	N82°46'39"W	330.00
L4	N17°15'52"W	434.04
L5	N02°27'54"E	375.53

**Annexation Legal Description for PIN: 0750264926**

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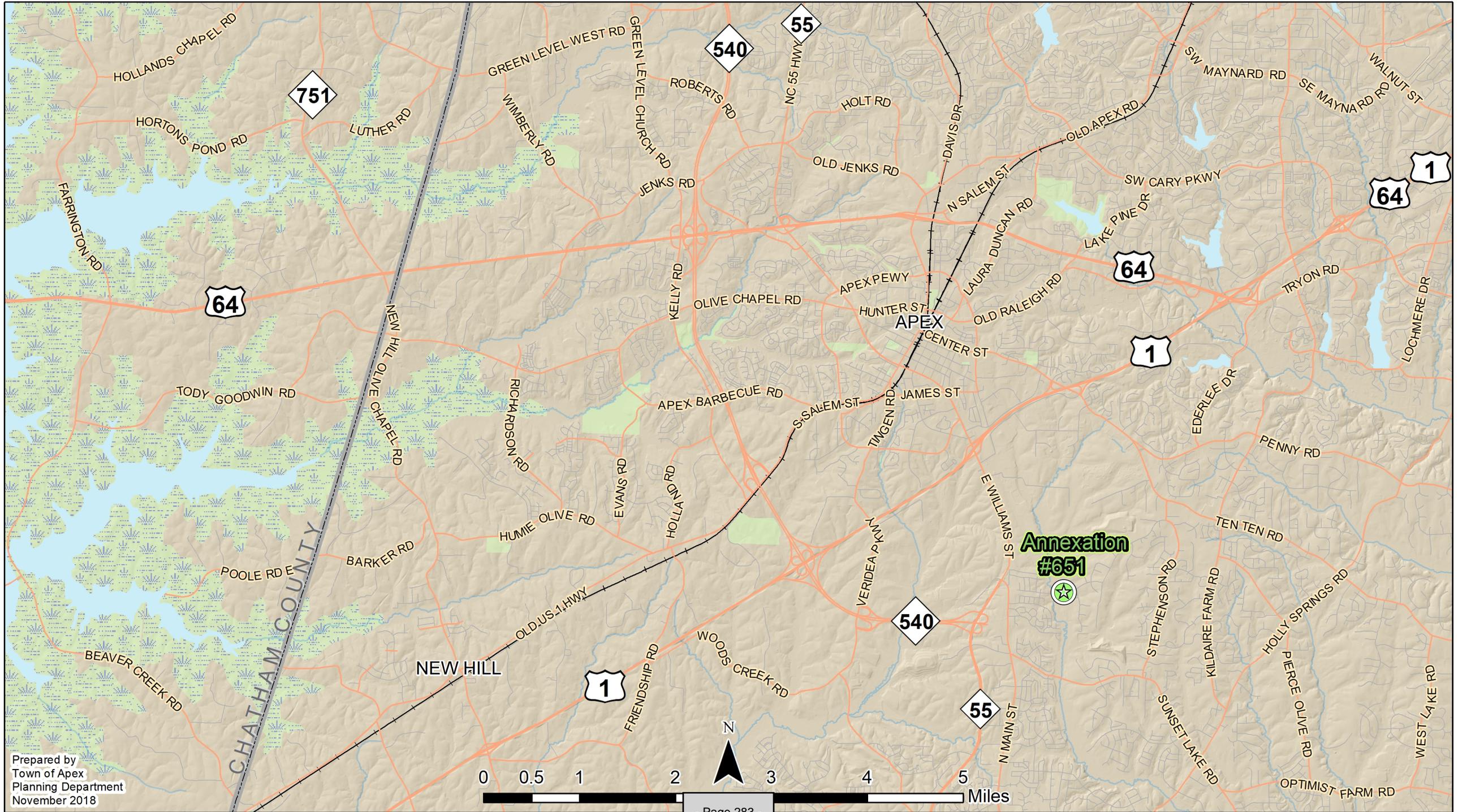
**Bateman Civil Survey Company**  
Engineers • Surveyors • Planners  
2524 Reliance Ave., Apex, NC 27539  
Phone: 919.877.1080 Fax: 919.877.1081  
NCBELS FIRM No. C-2378

OWNER  
MFW INVESTMENTS LLC  
114 BIRKLANDS DRIVE  
CARY, NORTH CAROLINA, 27518

ANNEXATION MAP  
FOR THE TOWN OF APEX  
APEX, NC, WAKE COUNTY, WHITE OAK TOWNSHIP  
REID# 0332044

Designed By: N/A  
Drawn By: JCH  
Checked By: JWV  
Scale: 1"=100'  
Date: 3/26/2020  
Project #: 180585

SHEET  
1 OF 1



Prepared by  
 Town of Apex  
 Planning Department  
 November 2018

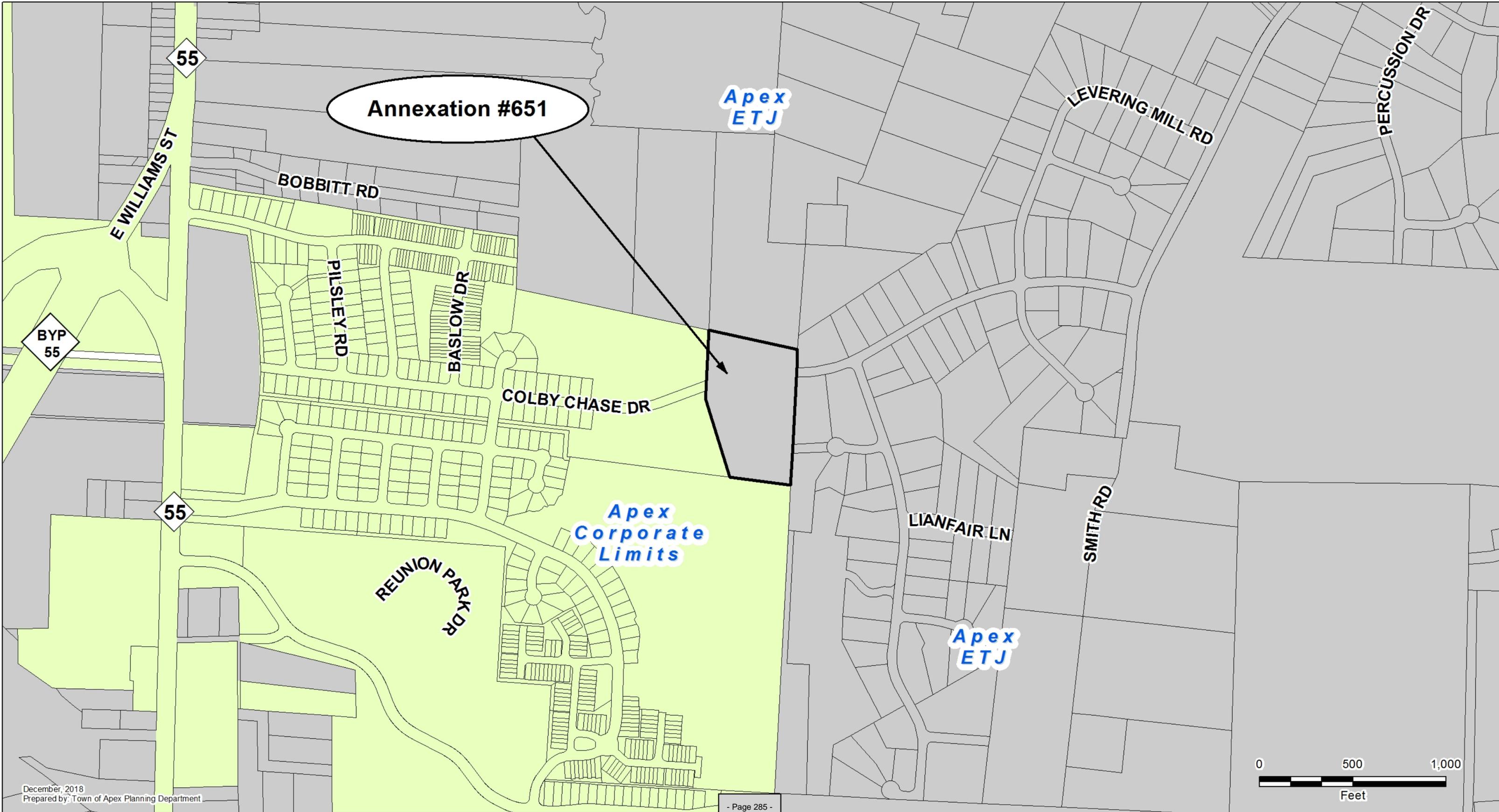
Annexation #651

Pemberley

Merion

Miramonte



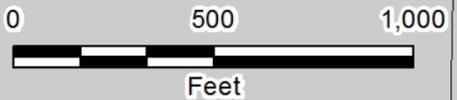


Annexation #651

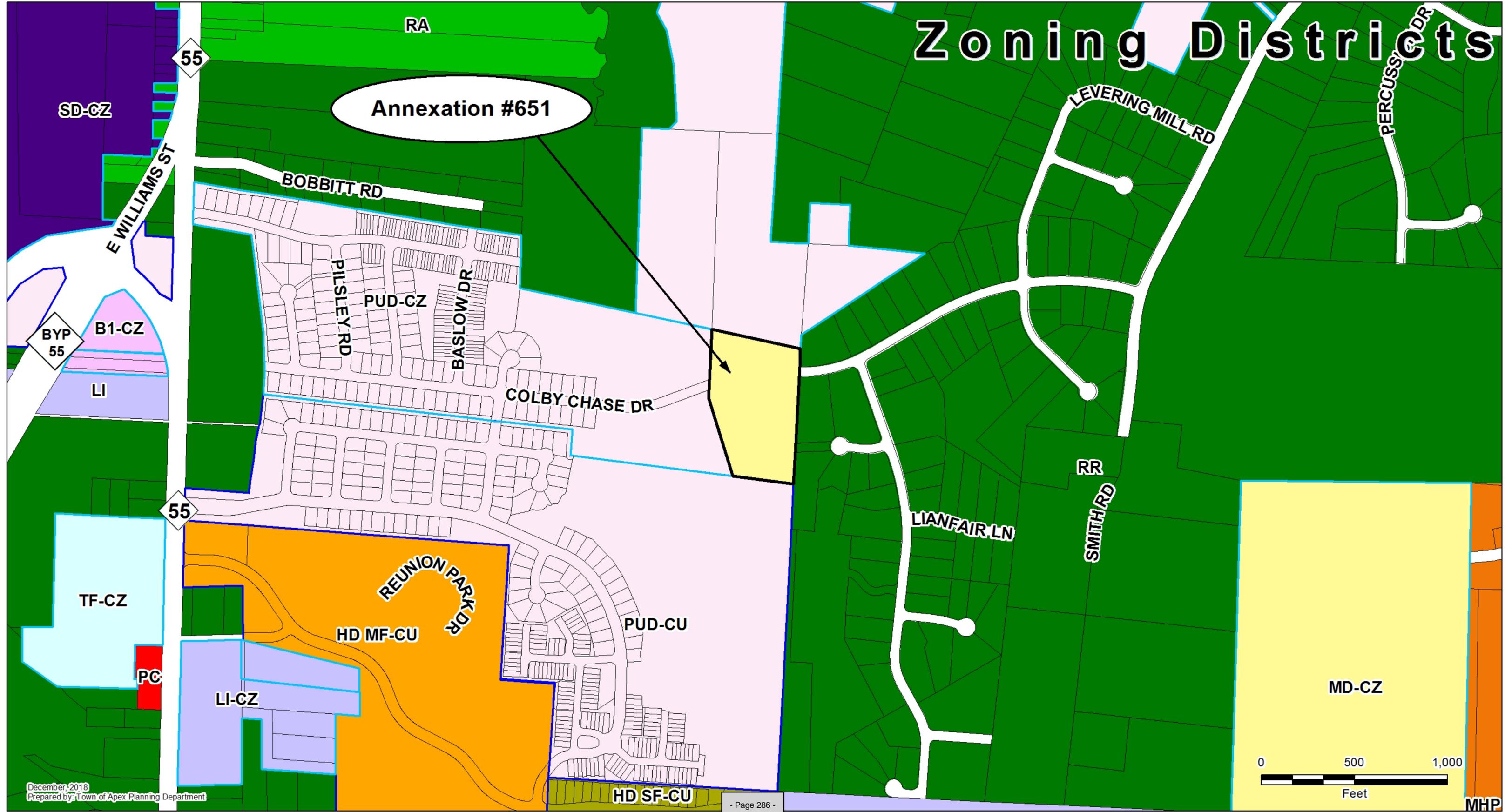
Apex  
ETJ

Apex  
Corporate  
Limits

Apex  
ETJ



# Zoning Districts



Annexation #651

# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: PUBLIC HEARING  
Meeting Date: December 15, 2020

## Item Details

Presenter(s): Dianne Khin, Director of Planning and Community Development  
Department(s): Planning and Community Development

### Requested Motion

Public hearing and possible motion to adopt an Ordinance on the Question of Annexation – Apex Town Council's intent to annex Kimberly & Loomis Horton, III, Mary Elizabeth Horton, Dwight Marvin Wright, MFW Investments, LLC, and MFWIRA, LLC (Horton Park PUD) properties containing 101.356 acres located at 8140, 8252, 8306, and 8308 Smith Road; 0 East Williams Street; 0, 0, 0, 0, & 0 Dezola Street; and 5220 Jessie Drive, Annexation #687 into the Town's corporate limits.

### Approval Recommended?

Yes, by the Planning and Community Development Department.

### Item Details

**This item was continued from the November 4, 2020 Town Council agenda.**

The Town Clerk certifies to the investigation of said annexation.

### Attachments

- Annexation Ordinance
- Annexation Petition
- Legal Description
- Preliminary Plat





TOWN OF APEX, NORTH CAROLINA  
Municipality No. 333

After recording, please return to:  
Donna Hosch, MMC, NCCMC, Town Clerk  
Town of Apex  
P.O. Box 250  
Apex, NC 27502

ORDINANCE NO. 2020-1215-25  
ANNEXATION PETITION NO. #687  
Horton Park PUD

AN ORDINANCE TO EXTEND THE CORPORATE LIMITS  
OF THE TOWN OF APEX, NORTH CAROLINA  
P.O. Box 250, Apex, North Carolina 27502

WHEREAS, the Apex Town Council has been petitioned under G.S.§160A-31, as amended, to annex the area described herein; and

WHEREAS, the Apex Town Council has by Resolution directed the Town Clerk to investigate the sufficiency of said petition; and

WHEREAS, the Town Clerk has certified the sufficiency of said petition and a public hearing on the question of this annexation was held at Apex Town Hall at 6:00 p.m. on December 15, 2020, after due notice by posting to the Town of Apex website, <http://www.apexnc.org/news/public-notice-legal-ads>; and

WHEREAS, the Apex Town Council does hereby find as a fact that said petition meets the requirements of G.S.§160A-31, as amended.

NOW, THEREFORE, BE IT ORDAINED by the Town Council of Apex, North Carolina:

Section 1. By virtue of the authority granted by G.S.§160A-31, as amended, the territory described in the attached property description and also shown as "Annexation Area" on the below identified survey plat is hereby annexed and made part of the Town of Apex, North Carolina, as of the date of adoption of this Ordinance on December 15, 2020 that describes the annexed territory is that certain survey plat entitled "Annexation Map for the Town of Apex, Apex, NC, Wake County, White Oak Township, Bateman Civil Survey Company, dated March 24, 2020" and recorded in Book of Maps book number 2020 and page number Wake County Registry.

Section 2. Upon and after the adoption of this ordinance, the territory described herein and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the Town of Apex, North Carolina, and shall be entitled to the same privileges and benefits as other parts of the Town of Apex. Said territory shall be subject to municipal taxes according to G.S.§160A-58.10, as amended.

Section 3. The Clerk of the Town of Apex, North Carolina shall cause to be recorded in the Office of the Register of Deeds of Wake County and in the Office of the Secretary of State at Raleigh, North Carolina and in the Office of the Wake County Board of Elections an accurate map of the annexed territory, described in Section 1 hereof, together with a duly certified copy of this Ordinance.

Adopted this the 15th day of December 2020.

\_\_\_\_\_  
Jacques K. Gilbert  
Mayor

ATTEST:

\_\_\_\_\_  
Donna B. Hosch, MMC, NCCMC  
Town Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Laurie L. Hohe  
Town Attorney

Legal Description

Annexation Legal Description for REID# 0099938, 0463860, 0034313, 0012276, 0434123, 0449641, 0457588, 0040550, 0203126, 0033171, 0033292, 0089614 & 0203135

All that certain parcels of land, situated in Apex, Wake County, North Carolina, being known as REID# 0099938, 0463860, 0034313, 0012276, 0434123, 0449641, 0457588, 0040550, 0203126, 0033171, 0033292, 0089614 & 0203135, Wake County Records, and being more particularly described as follows:

Beginning at an Iron Pipe found at the South West property corner of MFW Investments LLC (REID 0033171, DB 17139, PG 745), Wake County Records and South East property corner of Kimberly A & Loomis Horton III (REID 0094319, DB 16-E, PG 969), Wake County records and being designated as the Point of Beginning as shown on map made by Bateman Civil Survey Company, dated 3/24/2020 and entitled "Annexation Map for the Town of Apex" Apex, NC, Wake County, White Oak Township, REID# 0099938, 0463860, 0034313, 0012276, 0434123, 0449641, 0457588, 0040550, 0203126, 0033171, 0033292, 0089614 & 0203135, having State Plane Coordinates N:707485.663, E:2051769.272; Thence N02°44'07"E, 994.82' to an Iron Pipe found; thence N86°50'22"W, 258.73' to an Iron Pipe found; thence N39°30'30"E, 26.26' to a point; thence N23°42'22"W, 35.95' to a point; thence N13°54'09"E, 79.15' to a point; thence N17°33'13"W, 18.56' to a point; thence N67°29'17"E, 37.85' to a point; thence N02°16'21"W, 22.18' to a point; thence N70°27'02"W, 29.99' to a point; thence N44°05'42"W, 39.31' to a point; thence N13°50'46"E, 28.19' to a point; thence N66°20'10"E, 26.21' to a point; thence N16°14'26"E, 42.75' to a point; thence N42°08'44"E, 49.37' to a point; thence N12°33'20"W, 47.21' to a point; thence S89°48'05"W, 27.39' to a point; thence N47°19'12"W, 39.00' to a point; thence N17°31'45"E, 67.92' to a point; thence S52°16'45"E, 28.62' to a point; thence N53°21'20"E, 14.91' to a point; thence N12°12'41"E, 91.90' to a point; thence N02°59'42"W, 51.52' to a point; thence N59°30'21"W, 62.80' to a point; thence S39°54'45"W, 52.49' to a point; thence S81°30'52"W, 18.15' to a point; thence N37°30'45"W, 51.54' to a point; thence N14°00'20"W, 81.92' to a point; thence N41°47'32"E, 23.66' to a point; thence N31°38'22"W, 1.96' to a point; thence N09°34'30"W, 39.41' to a point; thence N04°27'00"E, 78.83' to a point; thence S86°25'14"E, 33.05' to a point; thence N79°11'30"E, 445.19' to a point; thence N48°13'38"E, 50.09' to a point; thence N22°54'33"E, 74.47' to a point; thence S87°24'13"E, 584.86' to a point; thence N19°40'32"E, 59.76' to a point; thence a curve to the Right having a Radius of 540.00', a Length of 280.51' and a Direction of N34°33'25"E, 277.37' to a point; thence N49°26'19"E, 244.69' to a point; thence a curve to the Left having a Radius of 25.00', a Length of 38.27' and a Direction of N05°35'05"E, 34.64' to a point; thence N49°26'19"E, 50.04' to a point; thence a curve to the Right having a Radius of 25.00', a Length of 38.27' and a Direction of S86°42'27"E, 34.64' to a point; thence N49°26'19"E, 55.76' to a point; thence a curve to the Left having a Radius of 655.00', a Length of 288.86' and a Direction of N36°48'17"E, 286.52' to a point; thence a curve to the Left having a Radius of 8.00', a Length of 13.10' and a Direction of

N22°43'53"W, 11.68' to a point; thence N69°38'01"W, 18.54' to a point; thence N24°32'45"E, 50.21' to a point; thence S69°38'01"E, 15.90' to a point; thence a curve to the Left having a Radius of 8.00', a Length of 12.85' and a Direction of N64°20'28"E, 11.51' to a point; thence a curve to the Left having a Radius of 655.00', a Length of 710.34' and a Direction of N12°45'08"W, 676.04' to a point; thence N43°49'14"W, 349.36' to a point; thence a curve to the Right having a Radius of 540.00', a Length of 161.66' and a Direction of N35°14'40"W, 161.05' to a point; thence N33°53'34"W, 32.27' to a point; thence a curve to the Right having a Radius of 545.00', a Length of 131.00' and a Direction of N16°24'52"W, 130.68' to a point; thence N09°31'44"W, 39.04' to a point; thence a curve to the Left having a Radius of 20.00', a Length of 32.64' and a Direction of N56°17'17"W, 29.14' to a point; thence N17°01'28"W, 70.37' to a point; thence a curve to the Left having a Radius of 35.00', a Length of 57.08' and a Direction of N63°44'30"W, 50.96' to a point; thence a curve to the Left having a Radius of 899.85', a Length of 59.13' and a Direction of S67°39'31"W, 59.12' to a point; thence N24°13'25"W, 100.00' to a point; thence a curve to the Right having a Radius of 1,000.00', a Length of 48.98' and a Direction of N67°10'47"E, 48.98' to a point; thence S87°58'54"E, 49.66' to a point; thence S87°58'17"E, 130.39' to a point; thence S09°31'44"E, 28.27' to a point; thence a curve to the Left having a Radius of 20.00', a Length of 30.32' and a Direction of S52°57'16"E, 27.50' to a point; thence a curve to the Right having a Radius of 1,005.00', a Length of 79.07' and a Direction of N85°52'26"E, 79.05' to a point; thence N88°07'40"E, 207.65' to a point; thence a curve to the Left having a Radius of 880.00', a Length of 299.33' and a Direction of N78°22'59"E, 297.89' to a point; thence S87°54'41"E, 25.01' to a point; thence N66°41'16"E, 199.17' to a point; thence S24°31'49"E, 95.91' to a point; thence S65°28'11"W, 172.84' to a point; thence a curve to the Right having a Radius of 990.00', a Length of 391.50' and a Direction of S76°47'55"W, 388.96' to a point; thence S88°15'11"W, 158.83' to a point; thence S82°47'37"W, 110.66' to a point; thence a curve to the Left having a Radius of 20.00', a Length of 32.23' and a Direction of S36°37'57"W, 28.85' to a point; thence S09°31'44"E, 31.05' to a point; thence a curve to the Left having a Radius of 475.00', a Length of 114.32' and a Direction of S16°25'26"E, 114.05' to a point; thence S14°55'06"E, 28.54' to a point; thence a curve to the Left having a Radius of 480.01', a Length of 143.51' and a Direction of S35°15'20"E, 142.97' to a point; thence S43°49'14"E, 349.36' to a point; thence a curve to the Right having a Radius of 715.00', a Length of 674.37' and a Direction of S16°48'02"E, 649.65' to a point; thence S87°28'46"E, 195.69' to a point; thence S87°28'09"E, 1,310.85' to a point; thence S87°31'29"E, 16.61' to a point; thence S24°36'54"W, 730.39' to a point; thence a curve to the Right having a Radius of 1097.98', a Length of 143.09' and a Direction of S49°31'31"E, 142.99' to a point; thence S45°47'31"E, 153.36' to a point; thence a curve to the Right having a Radius of 880.00', a Length of 231.46' and a Direction of S53°15'39"E, 230.79' to a point; thence S45°47'31"W, 376.61' to a point; thence S35°44'56"W, 30.33' to a point; thence S35°44'56"W, 30.33' to a point; thence N45°47'31"W, 385.60' to a point; thence a curve to the Left having a Radius of 820.00', a Length of 90.03' and a Direction of N48°52'15"E, 89.98' to a point; thence S66°31'41"W, 375.96' to a point; thence N81°31'47"W, 861.72' to a point; thence N81°28'50"W, 149.98' to a point; thence N81°33'25"W, 56.41' to a point; thence N81°44'30"W, 219.28' to a point; thence S19°51'42"W, 340.91' to a point; thence N70°08'18"W, 585.61' to a point; thence S03°40'12"W, 844.63' to a point; thence S03°03'45"W, 587.47' to a point; thence S89°39'02"E, 205.00' to a point; thence N00°17'07"E, 209.76' to a point; thence S89°42'53"E, 210.00' to a point; thence

S00°17'07"W, 210.00' to a point; thence S85°26'31"E, 434.14' to a point; thence S56°32'07"W, 821.71' to a point; thence S02°53'36"W, 73.32' to a point; thence N77°53'40"W, 922.38' to a point; said Iron Pipe being the Point of Beginning. Said Annexation contains 4,415,090 square feet / 101.356 acres, more or less.

STATE OF NORTH CAROLINA

COUNTY OF WAKE

CLERK'S CERTIFICATION

I, Donna B. Hosch, MMC, NCCMC, Town Clerk, Town of Apex, North Carolina, do hereby certify the foregoing is a true and correct copy of Annexation Ordinance No. 2020-1215-25, adopted at a meeting of the Town Council, on the 15<sup>th</sup> day of December, 2020, the original of which will be on file in the Office of the Town Clerk of Apex, North Carolina.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official Seal of the Town of Apex, North Carolina, this the 16th day of December 2020.

\_\_\_\_\_  
Donna B. Hosch, MMC, NCCMC  
Town Clerk

(SEAL)



PETITION FOR VOLUNTARY ANNEXATION

Application #: 687

Submittal Date: 6/30/2020

COMPLETE IF SIGNED BY INDIVIDUALS:

All individual owners must sign. (If additional signatures are necessary, please attach an additional sheet.)

Loomis Horton III  
Please Print

Kimberly Horton  
Please Print

\_\_\_\_\_  
Please Print

\_\_\_\_\_  
Please Print

[Signature]  
Signature

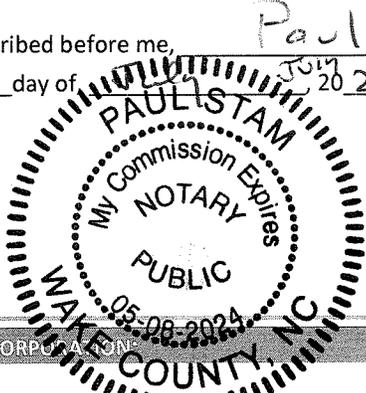
[Signature]  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

Sworn and subscribed before me, Paul Stam, a Notary Public for the above State and County,  
this the 10 day of July, 2020.



[Signature]  
Notary Public

SEAL

My Commission Expires: May 8, 2024

COMPLETE IF A CORPORATION

In witness whereof, said corporation has caused this instrument to be executed by its President and attested by its Secretary by order of its Board of Directors, this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Corporate Name \_\_\_\_\_

SEAL

By: \_\_\_\_\_  
President (Signature)

Attest:

\_\_\_\_\_  
Secretary (Signature)

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

Sworn and subscribed before me, \_\_\_\_\_, a Notary Public for the above State and County,  
this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public

SEAL

My Commission Expires: \_\_\_\_\_

PETITION FOR VOLUNTARY ANNEXATION

This document is a public record under the North Carolina Public Records Act and may be published on the Town's website or disclosed to third parties.

Application #: 687 Submittal Date: 6/30/2020
Fee Paid \$ Check #

TO THE TOWN COUNCIL APEX, NORTH CAROLINA

- 1. We, the undersigned owners of real property, respectfully request that the area described in Part 4 below be annexed to the Town of Apex, Wake County, North Carolina.
2. The area to be annexed is [x] contiguous, [ ] non-contiguous (satellite) to the Town of Apex, North Carolina and the boundaries are as contained in the metes and bounds description attached hereto.
3. If contiguous, this annexation will include all intervening rights-of-way for streets, railroads and other areas as stated in G.S. 160A-31(f), unless otherwise stated in the annexation amendment.

Owner Information

Mary Elizabeth Horton 0750-39-0993
Owner Name (Please Print) Property PIN or Deed Book & Page #
(919) 801-3905 / no working phone mwhitehead@macgregordev.com
Phone E-mail Address
Mary
Owner Name (Please Print) Property PIN or Deed Book & Page #
Phone E-mail Address
Owner Name (Please Print) Property PIN or Deed Book & Page #
Phone E-mail Address

Surveyor Information

Surveyor: Bateman Civil Survey Company
Phone: 919-577-1080 Fax: 919-577-1081
E-mail Address: heath@batemancivilsurvey.com

Annexation Summary Chart

Table with 2 columns: Property Information and Reason(s) for annexation (select all that apply). Rows include Total Acreage to be annexed (20), Population of acreage to be annexed (0), Existing # of housing units (0), Proposed # of housing units (500 Overall Horton Park Project), Zoning District\* (PUD-CZ), and various service options like Need water service, Need sewer service, Water service, Sewer service, and Receive Town Services.

\*If the property to be annexed is not within the Town of Apex's Extraterritorial Jurisdiction, the applicant must also submit a rezoning application with the petition for voluntary annexation to establish an Apex zoning designation. Please contact the Planning Department at 919-249-3426 for questions.

PETITION FOR VOLUNTARY ANNEXATION

Application #: 687

Submittal Date: 6/30/2020

COMPLETE IF SIGNED BY INDIVIDUALS:

All individual owners must sign. (If additional signatures are necessary, please attach an additional sheet.)

\_\_\_\_\_  
Please Print

Mary Elizabeth Horton

\_\_\_\_\_  
Please Print

\_\_\_\_\_  
Please Print

\_\_\_\_\_  
Please Print

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

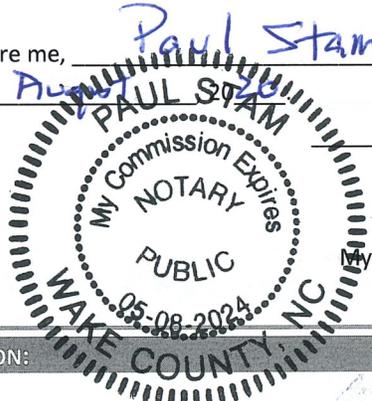
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

Sworn and subscribed before me, Paul Stam, a Notary Public for the above State and County,  
this the 14th day of August

SEAL



Paul Stam  
\_\_\_\_\_  
Notary Public

My Commission Expires: May 8, 2024

COMPLETE IF A CORPORATION:

In witness whereof, said corporation has caused this instrument to be executed by its President and attested by its Secretary by order of its Board of Directors, this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

SEAL

Corporate Name \_\_\_\_\_

Attest:

By: \_\_\_\_\_  
President (Signature)

\_\_\_\_\_  
Secretary (Signature)

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

Sworn and subscribed before me, \_\_\_\_\_, a Notary Public for the above State and County,  
this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

SEAL

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_



PETITION FOR VOLUNTARY ANNEXATION

Application #: 687

Submittal Date: 6/30/2020

COMPLETE IF SIGNED BY INDIVIDUALS:

All individual owners must sign. (If additional signatures are necessary, please attach an additional sheet.)

Dwight Marvin Wright  
Please Print

[Signature]  
Signature

\_\_\_\_\_  
Please Print

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Please Print

\_\_\_\_\_  
Signature

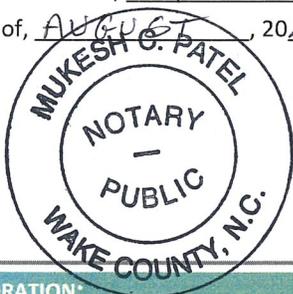
\_\_\_\_\_  
Please Print

\_\_\_\_\_  
Signature

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

Sworn and subscribed before me, MUKESH C. PATEL, a Notary Public for the above State and County,  
this the 12 day of AUGUST, 2020.

SEAL



[Signature]  
Notary Public

My Commission Expires: 19<sup>th</sup> Nov 2021

COMPLETE IF A CORPORATION:

In witness whereof, said corporation has caused this instrument to be executed by its President and attested by its Secretary by order of its Board of Directors, this the \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

SEAL  
Corporate Name \_\_\_\_\_

Attest: \_\_\_\_\_  
By: \_\_\_\_\_  
President (Signature)

\_\_\_\_\_  
Secretary (Signature)

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

Sworn and subscribed before me, \_\_\_\_\_, a Notary Public for the above State and County,  
this the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

SEAL

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_



PETITION FOR VOLUNTARY ANNEXATION

Application #: 687

Submittal Date: 6/30/2020

COMPLETE IF IN A LIMITED LIABILITY COMPANY

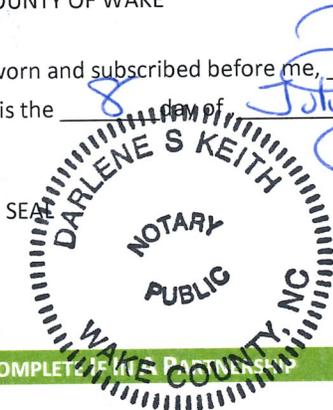
In witness whereof, MFW Investments, LLC limited liability company, caused this instrument to be executed in its name by a member/manager pursuant to authority duly given, this the 8<sup>th</sup> day of July, 2020

Name of Limited Liability Company MFW Investments, LLC

By: [Signature]  
Signature of Member/Manager

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

Sworn and subscribed before me, Darlene S. Keith, a Notary Public for the above State and County, this the 8<sup>th</sup> day of July, 2020



[Signature]  
Notary Public

My Commission Expires: 8/5/2022

COMPLETE IF IN A PARTNERSHIP

In witness whereof, \_\_\_\_\_, a partnership, caused this instrument to be executed in its name by a member/manager pursuant to authority duly given, this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Name of Partnership \_\_\_\_\_

By: \_\_\_\_\_  
Signature of General Partner

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

Sworn and subscribed before me, \_\_\_\_\_, a Notary Public for the above State and County, this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public

SEAL

My Commission Expires: \_\_\_\_\_



**PETITION FOR VOLUNTARY ANNEXATION**

Application #: 687

Submittal Date: 6/30/2020

**COMPLETE IF IN A LIMITED LIABILITY COMPANY**

In witness whereof, MEWIRA, LLC a limited liability company, caused this instrument to be executed in its name by a member/manager pursuant to authority duly given, this the 8<sup>th</sup> day of July, 2020.

Name of Limited Liability Company MEWIRA, LLC

By: [Signature]  
Signature of Member/Manager

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

Sworn and subscribed before me, Darlene S Keith, a Notary Public for the above State and County, this the 8 day of July, 2020.

[Signature]  
Notary Public



My Commission Expires: 8-5-2022

**COMPLETE IF IN A PARTNERSHIP**

In witness whereof, \_\_\_\_\_ a partnership, caused this instrument to be executed in its name by a member/manager pursuant to authority duly given, this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Name of Partnership \_\_\_\_\_

By: \_\_\_\_\_  
Signature of General Partner

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

Sworn and subscribed before me, \_\_\_\_\_ a Notary Public for the above State and County, this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public

SEAL

My Commission Expires: \_\_\_\_\_



**BCSC**  
BATEMAN CIVIL SURVEY COMPANY

Bateman Civil Survey Company, PC  
2524 Reliance Avenue  
Apex, NC 27539

Phone: (919) 577-1080  
Fax: (919) 577-1081  
info@batemancivilsurvey.com

**Annexation Legal Description for REID# 0099938, 0463860, 0034313, 0012276, 0434123, 0449641, 0457588, 0040550, 0203126, 0033171, 0033292, 0089614 & 0203135**

All that certain parcels of land, situated in Apex, Wake County, North Carolina, being known as REID# 0099938, 0463860, 0034313, 0012276, 0434123, 0449641, 0457588, 0040550, 0203126, 0033171, 0033292, 0089614 & 0203135, Wake County Records, and being more particularly described as follows:

Beginning at an Iron Pipe found at the South West property corner of MFW Investments LLC (REID 0033171, DB 17139, PG 745), Wake County Records and South East property corner of Kimberly A & Loomis Horton III (REID 0094319, DB 16-E, PG 969), Wake County records and being designated as the Point of Beginning as shown on map made by Bateman Civil Survey Company, dated 3/24/2020 and entitled "Annexation Map for the Town of Apex" Apex, NC, Wake County, White Oak Township, REID# 0099938, 0463860, 0034313, 0012276, 0434123, 0449641, 0457588, 0040550, 0203126, 0033171, 0033292, 0089614 & 0203135, having State Plane Coordinates N:707485.663, E:2051769.272;

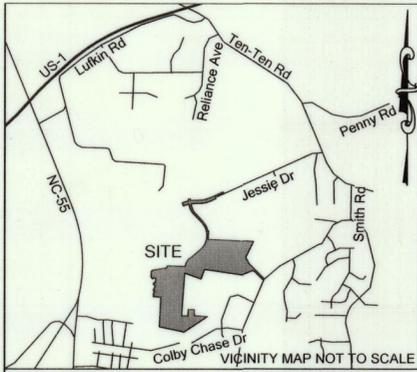
Thence N02°44'07"E, 994.82' to an Iron Pipe found; thence N86°50'22"W, 258.73' to an Iron Pipe found; thence N39°30'30"E, 26.26' to a point; thence N23°42'22"W, 35.95' to a point; thence N13°54'09"E, 79.15' to a point; thence N17°33'13"W, 18.56' to a point; thence N67°29'17"E, 37.85' to a point; thence N02°16'21"W, 22.18' to a point; thence N70°27'02"W, 29.99' to a point; thence N44°05'42"W, 39.31' to a point; thence N13°50'46"E, 28.19' to a point; thence N66°20'10"E, 26.21' to a point; thence N16°14'26"E, 42.75' to a point; thence N42°08'44"E, 49.37' to a point; thence N12°33'20"W, 47.21' to a point; thence S89°48'05"W, 27.39' to a point; thence N47°19'12"W, 39.00' to a point; thence N17°31'45"E, 67.92' to a point; thence S52°16'45"E, 28.62' to a point; thence N53°21'20"E, 14.91' to a point; thence N12°12'41"E, 91.90' to a point; thence N02°59'42"W, 51.52' to a point; thence N59°30'21"W, 62.80' to a point; thence S39°54'45"W, 52.49' to a point; thence S81°30'52"W, 18.15' to a point; thence N37°30'45"W, 51.54' to a point; thence N14°00'20"W, 81.92' to a point; thence N41°47'32"E, 23.66' to a point; thence N31°38'22"W, 1.96' to a point; thence N09°34'30"W, 39.41' to a point; thence N04°27'00"E, 78.83' to a point; thence S86°25'14"E, 33.05' to a point; thence N79°11'30"E, 445.19' to a point; thence N48°13'38"E, 50.09' to a point; thence N22°54'33"E, 74.47' to a point; thence S87°24'13"E, 584.86' to a point; thence N19°40'32"E, 59.76' to a point; thence a curve to the Right having a Radius of 540.00', a Length of 280.51' and a Direction of N34°33'25"E, 277.37' to a point; thence N49°26'19"E, 244.69' to a point; thence a curve to the Left having a Radius of 25.00', a

Length of 38.27' and a Direction of N05°35'05"E, 34.64' to a point; thence N49°26'19"E, 50.04' to a point; thence a curve to the Right having a Radius of 25.00', a Length of 38.27' and a Direction of S86°42'27"E, 34.64' to a point; thence N49°26'19"E, 55.76' to a point; thence a curve to the Left having a Radius of 655.00', a Length of 288.86' and a Direction of N36°48'17"E, 286.52' to a point; thence a curve to the Left having a Radius of 8.00', a Length of 13.10' and a Direction of N22°43'53"W, 11.68' to a point; thence N69°38'01"W, 18.54' to a point; thence N24°32'45"E, 50.21' to a point; thence S69°38'01"E, 15.90' to a point; thence a curve to the Left having a Radius of 8.00', a Length of 12.85' and a Direction of N64°20'28"E, 11.51' to a point; thence a curve to the Left having a Radius of 655.00', a Length of 710.34' and a Direction of N12°45'08"W, 676.04' to a point; thence N43°49'14"W, 349.36' to a point; thence a curve to the Right having a Radius of 540.00', a Length of 161.66' and a Direction of N35°14'40"W, 161.05' to a point; thence N33°53'34"W, 32.27' to a point; thence a curve to the Right having a Radius of 545.00', a Length of 131.00' and a Direction of N16°24'52"W, 130.68' to a point; thence N09°31'44"W, 39.04' to a point; thence a curve to the Left having a Radius of 20.00', a Length of 32.64' and a Direction of N56°17'17"W, 29.14' to a point; thence N17°01'28"W, 70.37' to a point; thence a curve to the Left having a Radius of 35.00', a Length of 57.08' and a Direction of N63°44'30"W, 50.96' to a point; thence a curve to the Left having a Radius of 899.85', a Length of 59.13' and a Direction of S67°39'31"W, 59.12' to a point; thence N24°13'25"W, 100.00' to a point; thence a curve to the Right having a Radius of 1,000.00', a Length of 48.98' and a Direction of N67°10'47"E, 48.98' to a point; thence S87°58'54"E, 49.66' to a point; thence S87°58'17"E, 130.39' to a point; thence S09°31'44"E, 28.27' to a point; thence a curve to the Left having a Radius of 20.00', a Length of 30.32' and a Direction of S52°57'16"E, 27.50' to a point; thence a curve to the Right having a Radius of 1,005.00', a Length of 79.07' and a Direction of N85°52'26"E, 79.05' to a point; thence N88°07'40"E, 207.65' to a point; thence a curve to the Left having a Radius of 880.00', a Length of 299.33' and a Direction of N78°22'59"E, 297.89' to a point; thence S87°54'41"E, 25.01' to a point; thence N66°41'16"E, 199.17' to a point; thence S24°31'49"E, 95.91' to a point; thence S65°28'11"W, 172.84' to a point; thence a curve to the Right having a Radius of 990.00', a Length of 391.50' and a Direction of S76°47'55"W, 388.96' to a point; thence S88°15'11"W, 158.83' to a point; thence S82°47'37"W, 110.66' to a point; thence a curve to the Left having a Radius of 20.00', a Length of 32.23' and a Direction of S36°37'57"W, 28.85' to a point; thence S09°31'44"E, 31.05' to a point; thence a curve to the Left having a Radius of 475.00', a Length of 114.32' and a Direction of S16°25'26"E, 114.05' to a point; thence S14°55'06"E, 28.54' to a point; thence a curve to the Left having a Radius of 480.01', a Length of 143.51' and a Direction of S35°15'20"E, 142.97' to a point; thence S43°49'14"E, 349.36' to a point; thence a curve to the Right having a Radius of 715.00', a Length of 674.37' and a Direction of S16°48'02"E, 649.65' to a point; thence S87°28'46"E, 195.69' to a point; thence S87°28'09"E, 1,310.85' to a point; thence S87°31'29"E, 16.61' to a point; thence S24°36'54"W, 730.39' to a point; thence a curve to the Right having a Radius of 1097.98', a Length of 143.09' and a Direction of S49°31'31"E, 142.99' to a point; thence S45°47'31"E, 153.36' to a point; thence a curve to the Right having a Radius of 880.00', a Length of 231.46' and a Direction of S53°15'39"E, 230.79' to a point; thence S45°47'31"W, 376.61' to a point; thence S35°44'56"W, 30.33' to a point; thence S35°44'56"W, 30.33' to a point; thence N45°47'31"W, 385.60' to a point; thence a curve to the Left having a Radius of 820.00', a Length of 90.03' and a Direction of N48°52'15"E, 89.98' to a point; thence

S66°31'41"W, 375.96' to a point; thence N81°31'47"W, 861.72' to a point; thence N81°28'50"W, 149.98' to a point; thence N81°33'25"W, 56.41' to a point; thence N81°44'30"W, 219.28' to a point; thence S19°51'42"W, 340.91' to a point; thence N70°08'18"W, 585.61' to a point; thence S03°40'12"W, 844.63' to a point; thence S03°03'45"W, 587.47' to a point; thence S89°39'02"E, 205.00' to a point; thence N00°17'07"E, 209.76' to a point; thence S89°42'53"E, 210.00' to a point; thence S00°17'07"W, 210.00' to a point; thence S85°26'31"E, 434.14' to a point; thence S56°32'07"W, 821.71' to a point; thence S02°53'36"W, 73.32' to a point; thence N77°53'40"W, 922.38' to a point;

said Iron Pipe being the Point of Beginning.

Said Annexation contains 4,415,090 square feet / 101.356 acres, more or less.



**REFERENCES**

- Book Map 1942 Page 114
- Book Map 1987 Page 1199
- Book Map 1988 Page 754
- Book Map 2003 Page 1130
- Book Map 2006 Page 172
- Book Map 2015 Page 1973
- Book Map 2016 Page 1677
- Book Map 2016 Page 1902
- Book Map 2017 Page 1067
- Book Map 2017 Page 2004
- Book Map 2018 Page 1394
- Book Map 2018 Page 1751
- Deed Book 17511 Page 1752
- Deed Book 17473 Page 2443
- Deed Book 17279 Page 1698
- Deed Book 17211 Page 2706
- Deed Book 17139 Page 745
- Deed Book 16932 Page 295
- Deed Book 16638 Page 1192
- Deed Book 16215 Page 1702
- Deed Book 14735 Page 685
- Deed Book 4443 Page 94
- Deed Book 2353 Page 559

**Required Base Information:**

**Project Information:** MFW Investment LLC  
 0 E Williams Street, Apex, NC 27539 (Reid 0463860)  
 5220 Jessie Drive, Apex, NC 27539 (Reid 0012276)  
 5101 Jessie Drive, Apex, NC 27539 (Reid 0034313)  
 0 Dezola Street, Apex, NC 27539 (Reid 0203126)  
 8140 Smith Road, Apex, NC 27539 (Reid 0040550)  
 8306 Smith Road, Apex, NC 27539 (Reid 0033171)  
 0 Dezola Street, Apex, NC 27539 (Reid 0203135)  
 8252 Smith Road, Apex, NC 27539 (Reid 0089614)

**Owner Information:** MFW Investment LLC  
 Mike Whitehead  
 114 Birklands Drive, Cary, NC, 27518  
 mwhitehead@macgregordevc.com

**Project Information:** Trinity Apex North 100 LLC  
 5125 Jessie Drive, Apex, NC 27539 (Reid 0099938)

**Owner Information:** Trinity Apex North 100 LLC  
 106 Island View Drive, Beaufort, NC, 28516  
 fill in the blank@whoknows.com

**Project Information:** Mary Elizabeth Horton  
 0 Dezola Street, Apex, NC 27539 (Reid 0434123)

**Owner Information:** Mary Elizabeth Horton  
 PO Box 306, Apex, NC, 27539  
 fill in the blank@whoknows.com

**Project Information:** MFWIRA LLC  
 0 Dezola Street, Apex, NC 27539 (Reid 0449641)

**Owner Information:** MFWIRA LLC  
 Mike Whitehead  
 114 Birklands Drive, Cary, NC, 27518  
 mwhitehead@macgregordevc.com

**Project Information:** Kimberly A & Loomis Horton III  
 0 Dezola Street, Apex, NC 27539 (Reid 0457588)

**Owner Information:** Kimberly A & Loomis Horton III  
 4801 SW 202nd Avenue, Southwest Ranches, FL, 33332  
 mwhitehead@macgregordevc.com

**Project Information:** Kimberly A & Loomis Horton III  
 8308 Smith Road, Apex, NC 27539 (Reid 0033292)

**Owner Information:** Kimberly A & Loomis Horton III  
 4801 SW 202nd Avenue, Southwest Ranches, FL, 33332  
 mwhitehead@macgregordevc.com

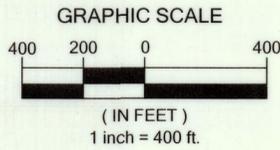
**Project Information:** Dwight Marvin Wright  
 5010 Dezola Street, Apex, NC 27539 (Reid 0104750)

**Owner Information:** Dwight Marvin Wright  
 407 S Salem Street, Apex, NC, 27539  
 mwhitehead@macgregordevc.com

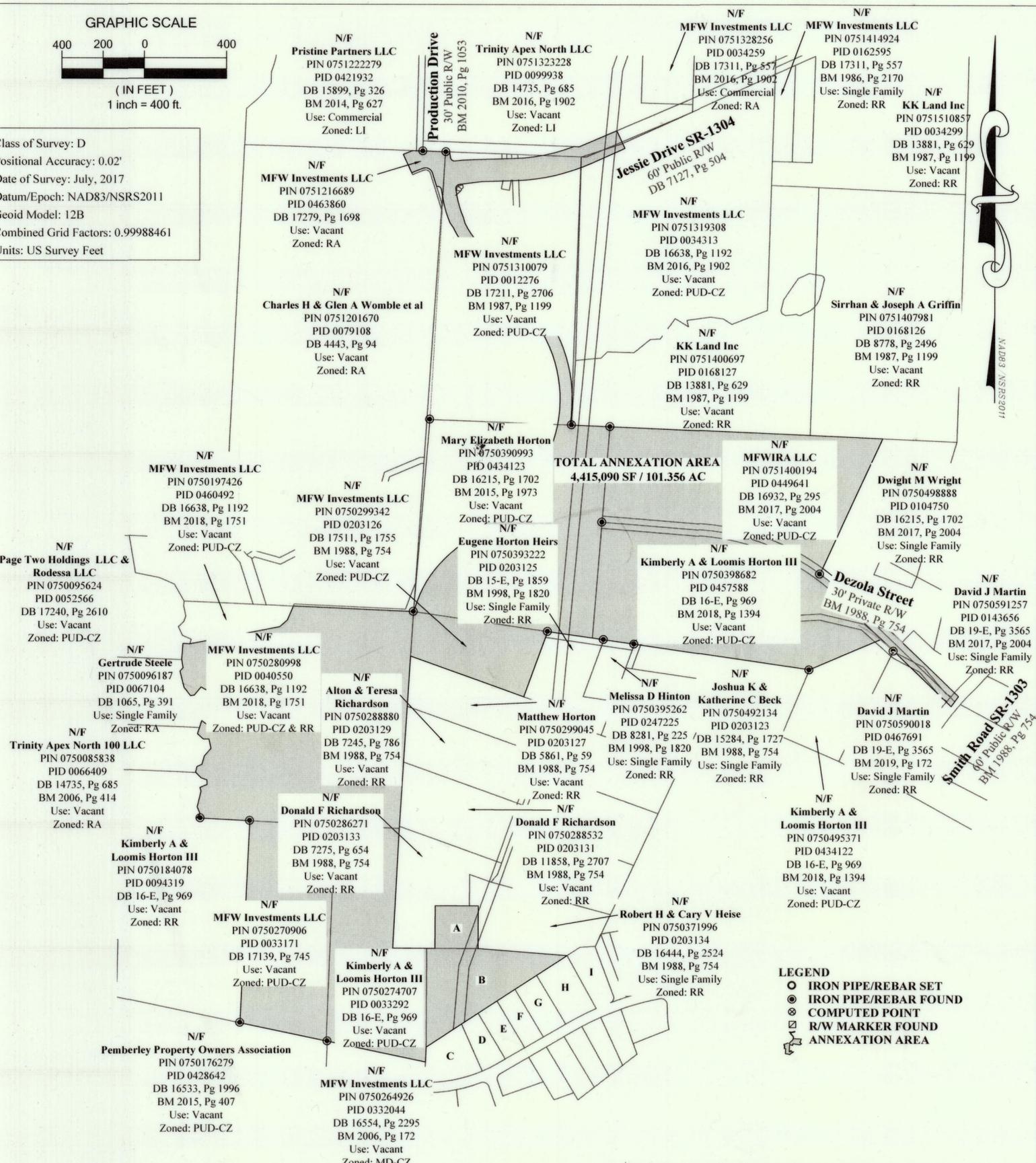
**Surveyor Information:** Jeffrey W. Baker  
 North Carolina  
 L-4412

**Date of Survey & Plat Preparation:** 3/24/2020  
**Zoning District & Zoning Case #:** PUD-CZ  
**Setbacks:** PUD-CZ  
 Single Family: Front: 25'  
 Side: 6' minimum 16' total  
 Corner: 15'  
 Rear: 20'  
 Minimum Lot Width: 50'

**Township, County, State:** White Oak, Wake, North Carolina  
**Primary or Secondary Watershed:** Secondary - Middle Creek Basin  
**FEMA designated floodplain:** 'X' per F.I.R.M #3720075100J dated 05/02/2006



Class of Survey: D  
 Positional Accuracy: 0.02'  
 Date of Survey: July, 2017  
 Datum/Epoch: NAD83/NSRS2011  
 Geoid Model: 12B  
 Combined Grid Factors: 0.99988461  
 Units: US Survey Feet



Owner	PIN#	REID#	Deed Reference	Plat Reference	Use	Zoning
A) MFW Investments LLC	0750278925	- 0089614	- DB 17473, Pg 2443 -	BM 1988, Pg 754, -	Vacant -	PUD-CZ
B) MFW Investments LLC	0750278677	- 0203135	- DB 17511, Pg 1752 -	BM 1988, Pg 754, -	Vacant -	PUD-CZ
C) Timothy & Allison Felton	0750278301	- 0308838	- DB 17376, Pg 1337 -	BM 2003, Pg 1130, -	Single Family -	RR
D) John J & Joyce T Falchi	0750279358	- 0308837	- DB 10836, Pg 2123 -	BM 2003, Pg 1130, -	Single Family -	RR
E) Todd C & Gloria C Young	0750370454	- 0308836	- DB 11069, Pg 476 -	BM 2003, Pg 1130, -	Single Family -	RR
F) Dennis & Roberta Dale	0750371540	- 0308835	- DB 11800, Pg 97 -	BM 2003, Pg 1130, -	Single Family -	RR
G) Richard J & Mary A Stewart	0750372555	- 0308834	- DB 11012, Pg 2141 -	BM 2003, Pg 1130, -	Single Family -	RR
H) Robert E & Krista B Cathey III	0750373664	- 0308833	- DB 11988, Pg 1801 -	BM 2003, Pg 1130, -	Single Family -	RR
I) Amanda C & Steven A Rhodes	0750375700	- 0308832	- DB 12006, Pg 1186 -	BM 2003, Pg 1130, -	Single Family -	RR

"I, Jeffrey W. Baker, certify that this plat was drawn under my supervision from an actual survey made under my supervision (deed description recorded in Book 17511, page 1752, Book 17511, page 1755, Book 17473, page 2443, Book 17279, page 1698, Book 17211, page 2706, Book 17139, page 745, Book 16932, page 295, Book 16638, page 1192, Book 16215, page 1702, Book 14735, page 685, Book 4443, page 94, Book 2353, page 559); that the boundaries not surveyed are clearly indicated as drawn from information found in Book 1942, page 114, Book 1987, Page 1199, Book 1988, page 754, Book 2003, page 1130, Book 2006, page 172, Book 2015, page 1973, Book 2016, page 1677, Book 2016, page 1902, Book 2017, page 1067, Book 2017, page 2004, Book 2018, page 1394, Book 2018, page 1751; that the ratio of precision or positional accuracy as calculated is 1:10000+; that this plat was prepared in accordance with G.S. 47-30 as amended. witness my original signature, license number and seal this 25th day of June, A.D. 2020."

*Jeffrey W. Baker*  
 Professional Land Surveyor  
 License Number-4412



I, Jeffrey W. Baker, Professional Land Surveyor No. L-4412 certify  
 D. That the survey is of another category, such as the  
 recombination of existing parcels, a court-ordered survey,  
 or other exceptions to the definition of subdivision.  
*Jeffrey W. Baker* 6/25/2020  
 Jeffrey W. Baker, PLS L-4412 date

**NOTES:**

1. This survey was prepared by Bateman Civil Survey Co., under the supervision of Jeffrey W. Baker, PLS.
2. This plan has been prepared for layout and permitting purposes only.
3. Property lines shown were taken from existing field evidence, existing deeds and/or plats of public record, and information supplied to the surveyor by the client
4. All distances are horizontal ground distances and all bearings are North Carolina State Plane Coordinate System unless otherwise shown.
5. No investigation into the existence of jurisdictional wetlands or riparian buffers performed by this firm.
6. Surveyor has made no investigation or independent search for easements of record, encumbrances, restrictive covenants, ownership title evidence or any other facts that an accurate and current title search may disclose.
7. No Grid Monuments found within 2000'.
8. Tied to the National CORS Network through NC VRS.

ANNEXATION # \_\_\_\_\_ I Donna B. Hosch, MMC,  
 NCCMC, Town Clerk, Apex, North Carolina certify this is a true and exact map  
 of annexation adopted the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by the Town  
 Council. I set my hand and seal of the Town of Apex, \_\_\_\_\_  
 Day / Month / Year  
 Donna B. Hosch, MMC, NCCMC, Town Clerk

UNLESS THIS MAP IS SIGNED AND SEALED BY THE SURVEYOR  
 IN CHARGE, THIS MAP IS CONSIDERED PRELIMINARY AND  
 NOT TO BE USED FOR RECORDING, CONVEYANCE OR SALES

**Bateman Civil Survey Company**  
 Engineers • Surveyors • Planners  
 2524 Reliance Ave., Apex, NC 27539  
 Phone: 919.577.1080 Fax: 919.577.1081  
 NCBELS FIRM No. C-2378

OWNER  
 MFW INVESTMENTS LLC  
 114 BIRKLANDS DRIVE  
 CARY, NORTH CAROLINA, 27518

ANNEXATION MAP  
 FOR THE TOWN OF APEX  
 APEX, NC, WAKE COUNTY, WHITE OAK TOWNSHIP  
 REID# 0099938, 0463860, 0034313, 0012276, 0434123, 0449641, 0457588,  
 0040550, 0203126, 0033171, 0033292, 0089614 & 0203135

Designed By: N/A  
 Drawn By: JCH  
 Checked By: JWB  
 Scale: 1"=400'  
 Date: 03/24/2020  
 Project #: 180585

**SHEET**  
 1 OF 7



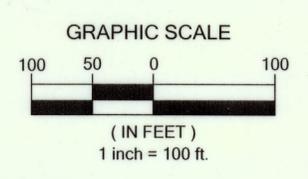
**Bateman Civil Survey Company**  
 Engineers • Surveyors • Planners  
 2524 Reliance Ave., Apex, NC 27539  
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 NCBELS FIRM No. C-2378

**OWNER**  
 MFW INVESTMENTS LLC  
 114 BIRKLANDS DRIVE  
 CARY, NORTH CAROLINA, 27518

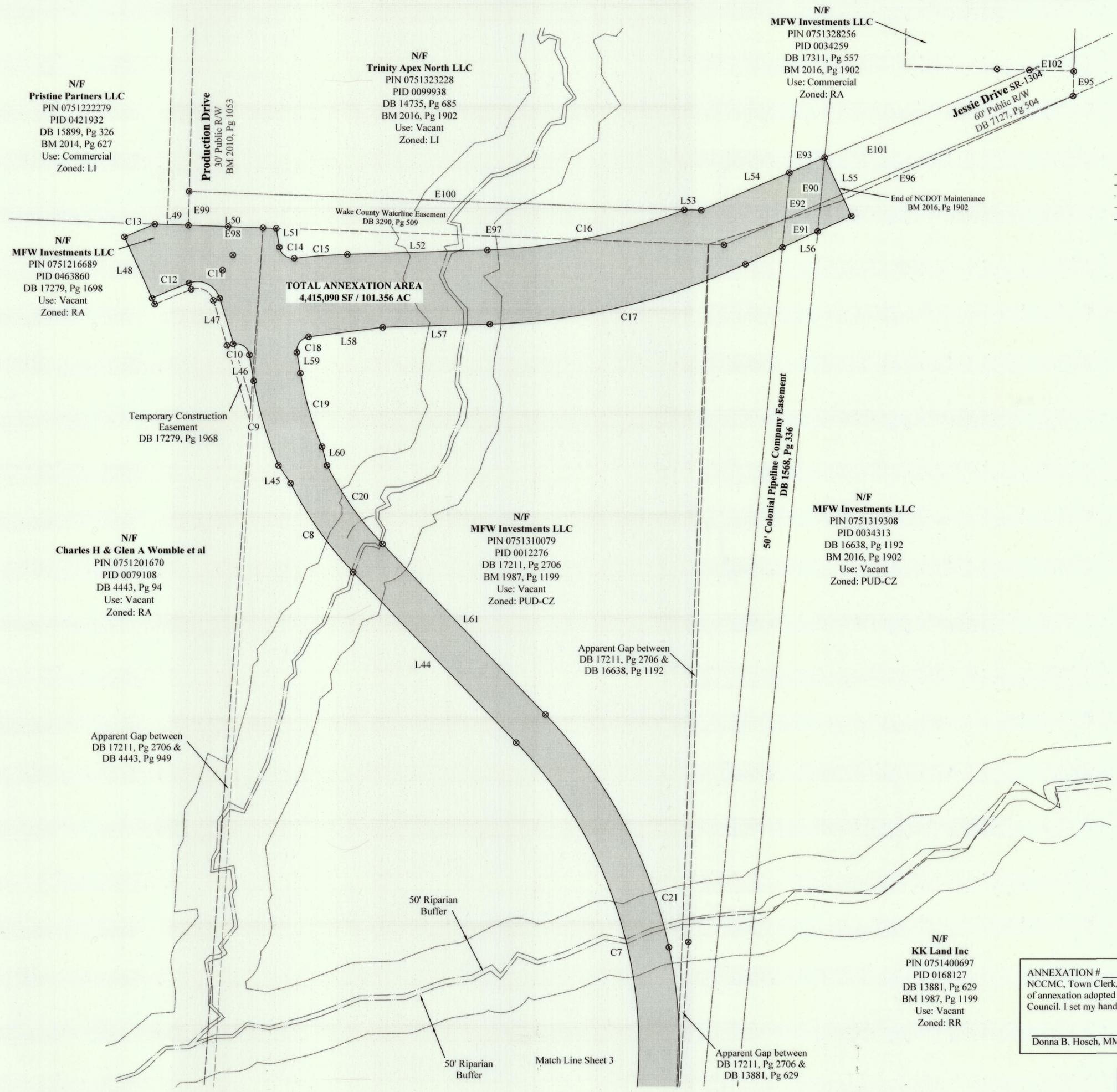
**ANNEXATION MAP FOR THE TOWN OF APEX**  
 APEX, NC, WAKE COUNTY, WHITE OAK TOWNSHIP  
 REID# 0099938, 0463860, 0034313, 0012276, 0434123, 0449641, 0457588, 0040550, 0203126, 0033171, 0033292, 0089614 & 0203135

Designed By: N/A  
 Drawn By: JCH  
 Checked By: JWB  
 Scale: 1"=100'  
 Date: 03/24/2020  
 Project #: 180585

**SHEET 2 OF 7**



- LEGEND**
- IRON PIPE/REBAR SET
  - IRON PIPE/REBAR FOUND
  - ⊗ COMPUTED POINT
  - ⊠ R/W MARKER FOUND
  - EXISTING PROPERTY-R/W LINE
  - EXISTING EASEMENT LINE
  - EXISTING TOP OF BANK LINE
  - EXISTING BUFFER LINE
  - ANNEXATION LINE
  - ANNEXATION AREA



N/F  
**Pristine Partners LLC**  
 PIN 0751222279  
 PID 0421932  
 DB 15899, Pg 326  
 BM 2014, Pg 627  
 Use: Commercial  
 Zoned: LI

N/F  
**Trinity Apex North LLC**  
 PIN 0751323228  
 PID 0099938  
 DB 14735, Pg 685  
 BM 2016, Pg 1902  
 Use: Vacant  
 Zoned: LI

N/F  
**MFW Investments LLC**  
 PIN 0751328256  
 PID 0034259  
 DB 17311, Pg 557  
 BM 2016, Pg 1902  
 Use: Commercial  
 Zoned: RA

N/F  
**MFW Investments LLC**  
 PIN 0751216689  
 PID 0463860  
 DB 17279, Pg 1698  
 Use: Vacant  
 Zoned: RA

Temporary Construction Easement  
 DB 17279, Pg 1968

N/F  
**Charles H & Glen A Womble et al**  
 PIN 0751201670  
 PID 0079108  
 DB 4443, Pg 94  
 Use: Vacant  
 Zoned: RA

N/F  
**MFW Investments LLC**  
 PIN 0751310079  
 PID 0012276  
 DB 17211, Pg 2706  
 BM 1987, Pg 1199  
 Use: Vacant  
 Zoned: PUD-CZ

N/F  
**MFW Investments LLC**  
 PIN 0751319308  
 PID 0034313  
 DB 16638, Pg 1192  
 BM 2016, Pg 1902  
 Use: Vacant  
 Zoned: PUD-CZ

N/F  
**KK Land Inc**  
 PIN 0751400697  
 PID 0168127  
 DB 13881, Pg 629  
 BM 1987, Pg 1199  
 Use: Vacant  
 Zoned: RR

ANNEXATION # \_\_\_\_\_, I Donna B. Hosch, MMC, NCCMC, Town Clerk, Apex, North Carolina certify this is a true and exact map of annexation adopted the \_\_\_\_\_ day of \_\_\_\_\_, by the Town Council. I set my hand and seal of the Town of Apex, \_\_\_\_\_ Day / Month / Year

Donna B. Hosch, MMC, NCCMC, Town Clerk

UNLESS THIS MAP IS SIGNED AND SEALED BY THE SURVEYOR IN CHARGE, THIS MAP IS CONSIDERED PRELIMINARY AND NOT TO BE USED FOR RECORDING, CONVEYANCE OR SALES



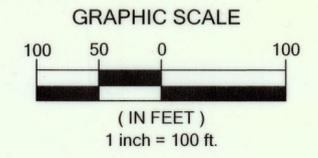
**Bateman Civil Survey Company**  
 Engineers • Surveyors • Planners  
 2524 Reliance Ave., Apex, NC 27539  
 Phone: 919.577.1080 Fax: 919.577.1081  
 NCBELS FIRM No. C-2378

OWNER  
**MFW INVESTMENTS LLC**  
 114 BIRKLANDS DRIVE  
 CARY, NORTH CAROLINA, 27518

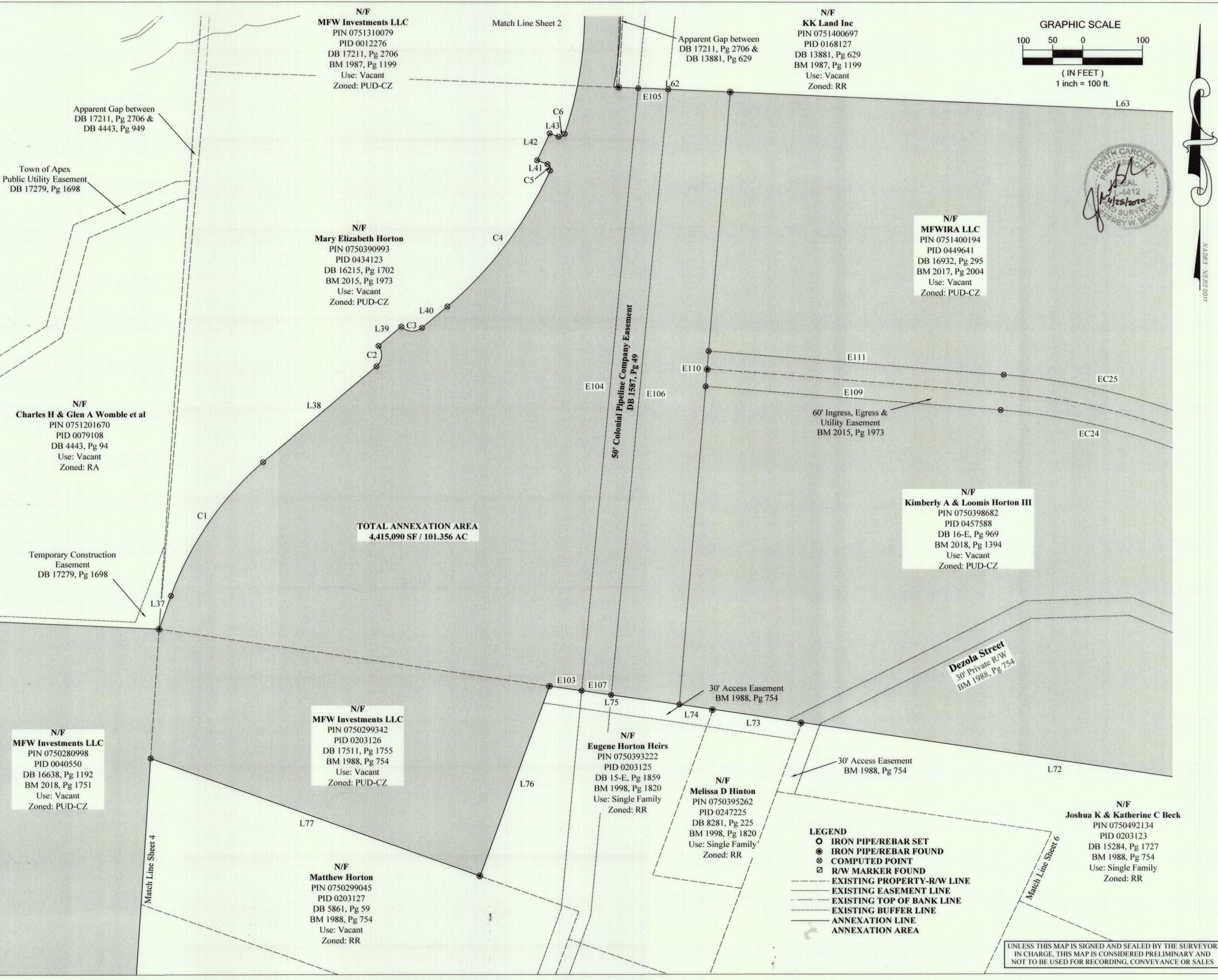
ANNEXATION MAP  
 FOR THE TOWN OF APEX  
 APEX, NC, WAKE COUNTY, WHITE OAK TOWNSHIP  
 REID# 0099938, 0463860, 0034313, 0012276, 0434123, 0449641, 0457588,  
 0040550, 0203126, 0033171, 0033292, 0089614 & 0203135

Designed By: N/A  
 Drawn By: JCH  
 Checked By: JWB  
 Scale: 1"=100'  
 Date: 03/24/2020  
 Project #: 180585

**SHEET**  
**3 OF 7**



N 108° 31' 41" W 101.356 AC



N/F  
**MFW Investments LLC**  
 PIN 0751310079  
 PID 0012276  
 DB 17211, Pg 2706  
 BM 1987, Pg 1199  
 Use: Vacant  
 Zoned: PUD-CZ

Apparent Gap between  
 DB 17211, Pg 2706 &  
 DB 4443, Pg 949

Town of Apex  
 Public Utility Easement  
 DB 17279, Pg 1698

N/F  
**Mary Elizabeth Horton**  
 PIN 0750390993  
 PID 0434123  
 DB 16215, Pg 1702  
 BM 2015, Pg 1973  
 Use: Vacant  
 Zoned: PUD-CZ

N/F  
**Charles H & Glen A Womble et al**  
 PIN 0751201670  
 PID 0079108  
 DB 4443, Pg 94  
 Use: Vacant  
 Zoned: RA

N/F  
**MFW Investments LLC**  
 PIN 0750299342  
 PID 0203126  
 DB 17511, Pg 1755  
 BM 1988, Pg 754  
 Use: Vacant  
 Zoned: PUD-CZ

N/F  
**MFW Investments LLC**  
 PIN 0750280998  
 PID 0040550  
 DB 16638, Pg 1192  
 BM 2018, Pg 1751  
 Use: Vacant  
 Zoned: PUD-CZ

N/F  
**MFW Investments LLC**  
 PIN 0750299342  
 PID 0203126  
 DB 17511, Pg 1755  
 BM 1988, Pg 754  
 Use: Vacant  
 Zoned: PUD-CZ

N/F  
**Eugene Horton Heirs**  
 PIN 0750393222  
 PID 0203125  
 DB 15-E, Pg 1859  
 BM 1998, Pg 1820  
 Use: Single Family  
 Zoned: RR

N/F  
**Matthew Horton**  
 PIN 0750299045  
 PID 0203127  
 DB 5861, Pg 59  
 BM 1988, Pg 754  
 Use: Vacant  
 Zoned: RR

N/F  
**Kimberly A & Loomis Horton III**  
 PIN 0750398682  
 PID 0457588  
 DB 16-E, Pg 969  
 BM 2018, Pg 1394  
 Use: Vacant  
 Zoned: PUD-CZ

N/F  
**MFWIRA LLC**  
 PIN 0751400194  
 PID 0449641  
 DB 16932, Pg 295  
 BM 2017, Pg 2004  
 Use: Vacant  
 Zoned: PUD-CZ

N/F  
**KK Land Inc**  
 PIN 0751400697  
 PID 0168127  
 DB 13881, Pg 629  
 BM 1987, Pg 1199  
 Use: Vacant  
 Zoned: RR

N/F  
**Melissa D Hinton**  
 PIN 0750395262  
 PID 0247225  
 DB 8281, Pg 225  
 BM 1998, Pg 1820  
 Use: Single Family  
 Zoned: RR

N/F  
**Joshua K & Katherine C Beck**  
 PIN 0750492134  
 PID 0203123  
 DB 15284, Pg 1727  
 BM 1988, Pg 754  
 Use: Single Family  
 Zoned: RR

50' Colonial Pipeline Company Easement  
 DB 1587, Pg 49

60' Ingress, Egress &  
 Utility Easement  
 BM 2015, Pg 1973

30' Access Easement  
 BM 1988, Pg 754

30' Access Easement  
 BM 1988, Pg 754

30' Private R/W  
 BM 1988, Pg 754

Dezola Street

Match Line Sheet 2

Match Line Sheet 4

Match Line Sheet 6

TOTAL ANNEXATION AREA  
 4,415,090 SF / 101.356 AC

- LEGEND**
- IRON PIPE/REBAR SET
  - ⊙ IRON PIPE/REBAR FOUND
  - ⊗ COMPUTED POINT
  - ⊠ R/W MARKER FOUND
  - EXISTING PROPERTY-R/W LINE
  - EXISTING EASEMENT LINE
  - EXISTING TOP OF BANK LINE
  - EXISTING BUFFER LINE
  - ANNEXATION LINE
  - ANNEXATION AREA

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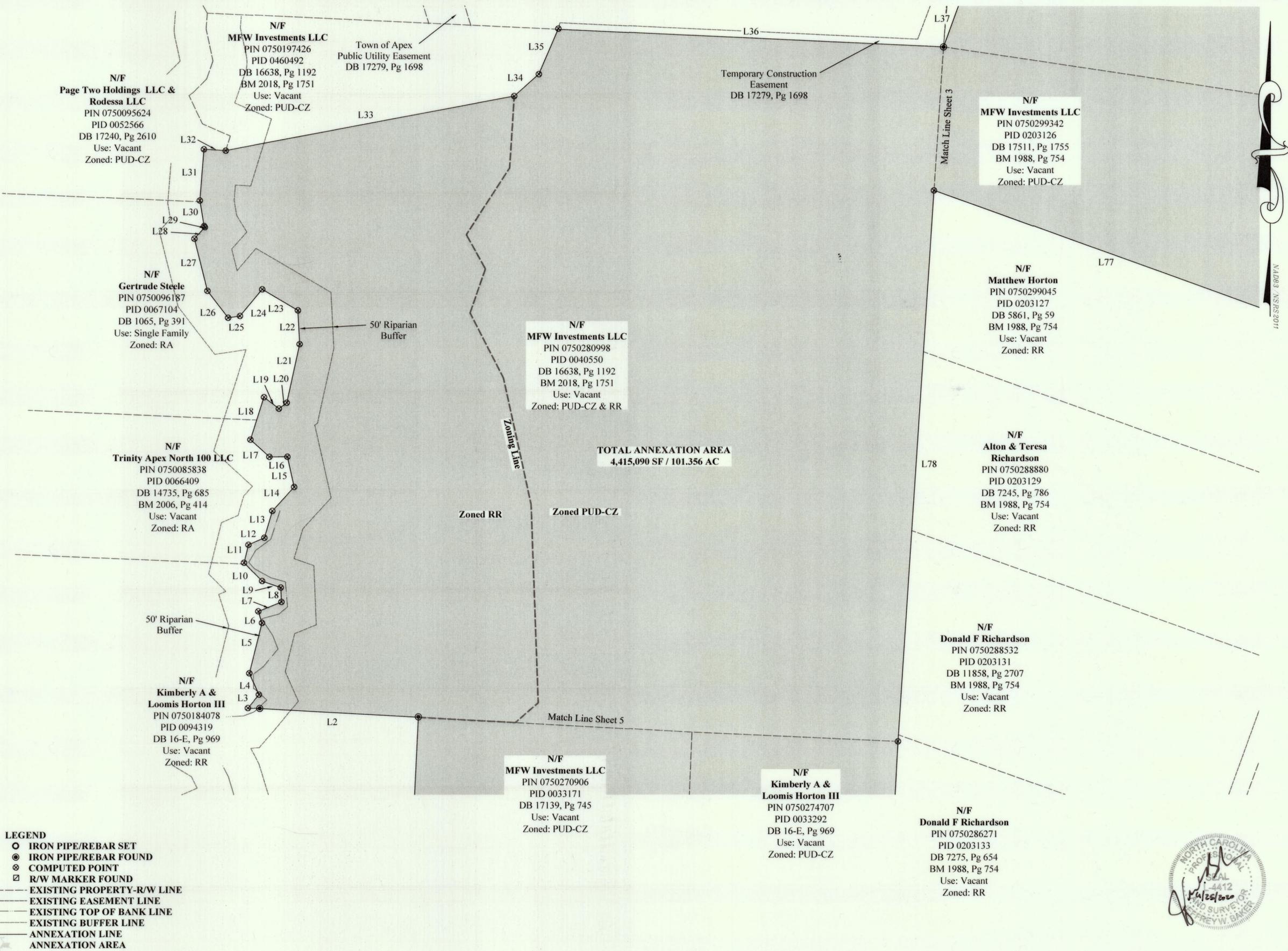
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**OWNER**  
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 CARY, NORTH CAROLINA, 27518

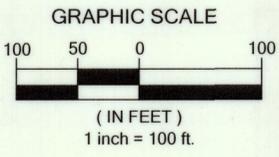
**ANNEXATION MAP FOR THE TOWN OF APEX**  
 APEX, NC, WAKE COUNTY, WHITE OAK TOWNSHIP  
 REID# 0099938, 0463860, 0034313, 0012276, 0434123, 0449641, 0457588, 0040550, 0203126, 0033171, 0033292, 0089614 & 0203135

Designed By: N/A  
 Drawn By: JCH  
 Checked By: JWB  
 Scale: 1"=100'  
 Date: 03/24/2020  
 Project #: 180585

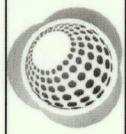
**SHEET 4 OF 7**



- LEGEND**
- IRON PIPE/REBAR SET
  - IRON PIPE/REBAR FOUND
  - ⊗ COMPUTED POINT
  - ⊠ R/W MARKER FOUND
  - EXISTING PROPERTY-R/W LINE
  - EXISTING EASEMENT LINE
  - EXISTING TOP OF BANK LINE
  - EXISTING BUFFER LINE
  - ANNEXATION LINE
  - ANNEXATION AREA



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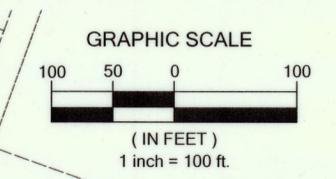
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 Phone: 919.577.1080 Fax: 919.577.1081  
 NCBELS FRM No. C-2378

**OWNER**  
 MFW INVESTMENTS LLC  
 114 BIRKLANDS DRIVE  
 CARY, NORTH CAROLINA, 27518

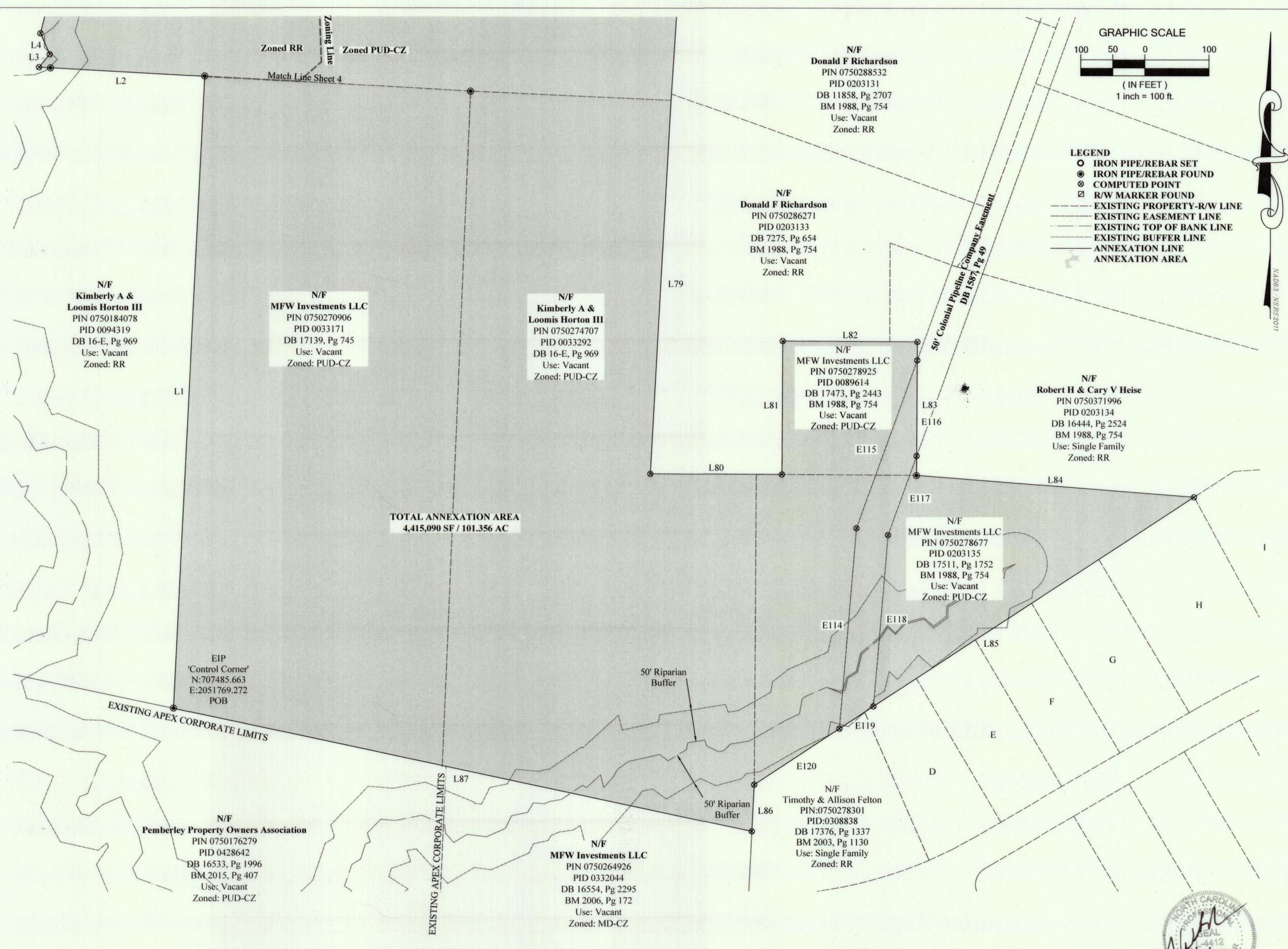
**ANNEXATION MAP**  
 FOR THE TOWN OF APEX  
 APEX, NC, WAKE COUNTY, WHITE OAK TOWNSHIP  
 REID# 0099938, 0463860, 0034313, 0012276, 0434123, 0449641, 0457588,  
 0040550, 0203126, 0033171, 0033292, 0089614 & 0203135

Designed By: N/A  
 Drawn By: JCH  
 Checked By: JWB  
 Scale: 1"=100'  
 Date: 03/24/2020  
 Project #: 180585

**SHEET**  
**5 OF 7**



- LEGEND**
- IRON PIPE/REBAR SET
  - ⊙ IRON PIPE/REBAR FOUND
  - ⊕ COMPUTED POINT
  - ⊠ R/W MARKER FOUND
  - EXISTING PROPERTY-R/W LINE
  - EXISTING EASEMENT LINE
  - EXISTING TOP OF BANK LINE
  - EXISTING BUFFER LINE
  - ANNEXATION LINE
  - ANNEXATION AREA



**TOTAL ANNEXATION AREA**  
 4,415,090 SF / 101.356 AC

N/F  
**Kimberly A & Loomis Horton III**  
 PIN 0750184078  
 PID 0094319  
 DB 16-E, Pg 969  
 Use: Vacant  
 Zoned: RR

N/F  
**MFW Investments LLC**  
 PIN 0750270906  
 PID 0033171  
 DB 17139, Pg 745  
 Use: Vacant  
 Zoned: PUD-CZ

N/F  
**Kimberly A & Loomis Horton III**  
 PIN 0750274707  
 PID 0033292  
 DB 16-E, Pg 969  
 Use: Vacant  
 Zoned: PUD-CZ

N/F  
**Donald F Richardson**  
 PIN 0750286271  
 PID 0203133  
 DB 7275, Pg 654  
 BM 1988, Pg 754  
 Use: Vacant  
 Zoned: RR

N/F  
**Donald F Richardson**  
 PIN 0750288532  
 PID 0203131  
 DB 11858, Pg 2707  
 BM 1988, Pg 754  
 Use: Vacant  
 Zoned: RR

N/F  
**MFW Investments LLC**  
 PIN 0750278925  
 PID 0089614  
 DB 17473, Pg 2443  
 BM 1988, Pg 754  
 Use: Vacant  
 Zoned: PUD-CZ

N/F  
**Robert H & Cary V Heise**  
 PIN 0750371996  
 PID 0203134  
 DB 16444, Pg 2524  
 BM 1988, Pg 754  
 Use: Single Family  
 Zoned: RR

N/F  
**MFW Investments LLC**  
 PIN 0750278677  
 PID 0203135  
 DB 17511, Pg 1752  
 BM 1988, Pg 754  
 Use: Vacant  
 Zoned: PUD-CZ

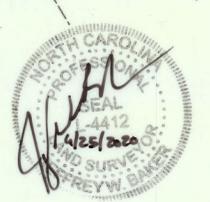
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 POB

N/F  
**Pemberley Property Owners Association**  
 PIN 0750176279  
 PID 0428642  
 DB 16533, Pg 1996  
 BM 2015, Pg 407  
 Use: Vacant  
 Zoned: PUD-CZ

N/F  
**MFW Investments LLC**  
 PIN 0750264926  
 PID 0332044  
 DB 16554, Pg 2295  
 BM 2006, Pg 172  
 Use: Vacant  
 Zoned: MD-CZ

N/F  
**Timothy & Allison Felton**  
 PIN:0750278301  
 PID:0308838  
 DB 17376, Pg 1337  
 BM 2003, Pg 1130  
 Use: Single Family  
 Zoned: RR

Owner	PIN#	REID#	Deed Reference	Plat Reference	Use	Zoning
D) John J & Joyce T Falchi -	0750279358	- 0308837	- DB 10836, Pg 2123	- BM 2003, Pg 1130	- Single Family	- RR
E) Todd C & Gloria C Young -	0750370454	- 0308836	- DB 11069, Pg 476	- BM 2003, Pg 1130	- Single Family	- RR
F) Dennis & Roberta Dale -	0750371540	- 0308835	- DB 11800, Pg 97	- BM 2003, Pg 1130	- Single Family	- RR
G) Richard J & Mary A Stewart -	0750372555	- 0308834	- DB 11012, Pg 2141	- BM 2003, Pg 1130	- Single Family	- RR
H) Robert E & Krista B Cathey III -	0750373664	- 0308833	- DB 11988, Pg 1801	- BM 2003, Pg 1130	- Single Family	- RR
I) Amanda C & Steven A Rhodes -	0750375700	- 0308832	- DB 12006, Pg 1186	- BM 2003, Pg 1130	- Single Family	- RR



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N/F  
**KK Land Inc**  
 PIN 0751400697  
 PID 0168127  
 DB 13881, Pg 629  
 BM 1987, Pg 1199  
 Use: Vacant  
 Zoned: RR

N/F  
**Sirhan & Joseph A Griffin**  
 PIN 0751407981  
 PID 0168126  
 DB 8778, Pg 2496  
 BM 1987, Pg 1199  
 Use: Vacant  
 Zoned: RR

N/F  
**MFWIRA LLC**  
 PIN 0751400194  
 PID 0449641  
 DB 16932, Pg 295  
 BM 2017, Pg 2004  
 Use: Vacant  
 Zoned: PUD-CZ

**TOTAL ANNEXATION AREA**  
 4,415,090 SF / 101.356 AC

N/F  
**Dwight M Wright**  
 PIN 0750498888  
 PID 0104750  
 DB 16215, Pg 1702  
 BM 2017, Pg 2004  
 Use: Single Family  
 Zoned: RR

N/F  
**Kimberly A & Loomis Horton III**  
 PIN 0750398682  
 PID 0457588  
 DB 16-E, Pg 969  
 BM 2018, Pg 1394  
 Use: Vacant  
 Zoned: PUD-CZ

60' Ingress, Egress &  
 Utility Easement  
 BM 2015, Pg 1973

**Dezola Street**  
 30' Private R/W  
 BM 1988, Pg 754

50' Riparian  
 Buffer

50' Riparian  
 Buffer

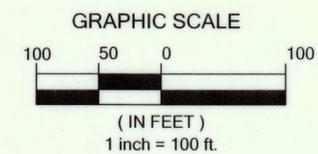
N/F  
**Joshua K &  
 Katherine C Beck**  
 PIN 0750492134  
 PID 0203123  
 DB 15284, Pg 1727  
 BM 1988, Pg 754  
 Use: Single Family  
 Zoned: RR

N/F  
**Kimberly A &  
 Loomis Horton III**  
 PIN 0750495371  
 PID 0434122  
 DB 16-E, Pg 969  
 BM 2018, Pg 1394  
 Use: Vacant  
 Zoned: PUD-CZ

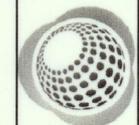
N/F  
**David J Martin**  
 PIN 0750590018  
 PID 0467691  
 DB 19-E, Pg 3565  
 BM 2019, Pg 172  
 Use: Single Family  
 Zoned: RR

N/F  
**David J Martin**  
 PIN 0750591257  
 PID 0143656  
 DB 19-E, Pg 3565  
 BM 2017, Pg 2004  
 Use: Single Family  
 Zoned: RR

**Smith Road SR-1303**  
 60' Public Right of Way  
 BM 1988, Pg 754



- LEGEND**
- IRON PIPE/REBAR SET
  - IRON PIPE/REBAR FOUND
  - ⊙ COMPUTED POINT
  - ⊠ R/W MARKER FOUND
  - EXISTING PROPERTY-R/W LINE
  - EXISTING EASEMENT LINE
  - EXISTING TOP OF BANK LINE
  - EXISTING BUFFER LINE
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**MFW INVESTMENTS LLC**  
 114 BIRKLANDS DRIVE  
 CARY, NORTH CAROLINA, 27518

ANNEXATION MAP  
 FOR THE TOWN OF APEX  
 APEX, NC, WAKE COUNTY, WHITE OAK TOWNSHIP  
 REID# 0099938, 0463860, 0034313, 0012276, 0434123, 0449641, 0457588,  
 0040550, 0203126, 0033171, 0033292, 0089614 & 0203135

Designed By: N/A  
 Drawn By: JCH  
 Checked By: JWB  
 Scale: 1"=100'  
 Date: 03/24/2020  
 Project #: 180585

**SHEET  
 6 OF 7**

UNLESS THIS MAP IS SIGNED AND SEALED BY THE SURVEYOR  
 IN CHARGE, THIS MAP IS CONSIDERED PRELIMINARY AND  
 NOT TO BE USED FOR RECORDING, CONVEYANCE OR SALES

**Annexation Legal Description for REID# 0099938, 0463860, 0034313, 0012276, 0434123, 0449641, 0457588, 0040550, 0203126, 0033171, 0033292, 0089614 & 0203135**

All that certain parcels of land, situated in Apex, Wake County, North Carolina, being known as REID# 0099938, 0463860, 0034313, 0012276, 0434123, 0449641, 0457588, 0040550, 0203126, 0033171, 0033292, 0089614 & 0203135, Wake County Records, and being more particularly described as follows:

Beginning at an Iron Pipe found at the South West property corner of MFW Investments LLC (REID 0033171, DB 17139, PG 745), Wake County Records and South East property corner of Kimberly A & Loomis Horton III (REID 0094319, DB 16-E, PG 969), Wake County records and being designated as the Point of Beginning as shown on map made by Bateman Civil Survey Company, dated 3/24/2020 and entitled "Annexation Map for the Town of Apex" Apex, NC, Wake County, White Oak Township, REID# 0099938, 0463860, 0034313, 0012276, 0434123, 0449641, 0457588, 0040550, 0203126, 0033171, 0033292, 0089614 & 0203135, having State Plane Coordinates N:707485.663, E:2051769.272;

Thence N02°44'07"E, 994.82' to an Iron Pipe found; thence N86°50'22"W, 258.73' to an Iron Pipe found; thence N39°30'30"E, 26.26' to a point; thence N23°42'22"W, 35.95' to a point; thence N13°54'09"E, 79.15' to a point; thence N17°33'13"W, 18.56' to a point; thence N67°29'17"E, 37.85' to a point; thence N02°16'21"W, 22.18' to a point; thence N70°27'02"W, 29.99' to a point; thence N44°05'42"W, 39.31' to a point; thence N13°50'46"E, 28.19' to a point; thence N66°20'10"E, 26.21' to a point; thence N16°14'26"E, 42.75' to a point; thence N42°08'44"E, 49.37' to a point; thence N12°33'20"W, 47.21' to a point; thence S89°48'05"W, 27.39' to a point; thence N47°19'12"W, 39.00' to a point; thence N17°31'45"E, 67.92' to a point; thence S52°16'45"E, 28.62' to a point; thence N53°21'20"E, 14.91' to a point; thence N12°12'41"E, 91.90' to a point; thence N02°59'42"W, 51.52' to a point; thence N59°30'21"W, 62.80' to a point; thence S39°54'45"W, 52.49' to a point; thence S81°30'52"W, 18.15' to a point; thence N37°30'45"W, 51.54' to a point; thence N14°00'20"W, 81.92' to a point; thence N41°47'32"E, 23.66' to a point; thence N31°38'22"W, 1.96' to a point; thence N09°34'30"W, 39.41' to a point; thence N04°27'00"E, 78.83' to a point; thence S86°25'14"E, 33.05' to a point; thence N79°11'30"E, 445.19' to a point; thence N48°13'38"E, 50.09' to a point; thence N22°54'33"E, 74.47' to a point; thence S87°24'13"E, 584.86' to a point; thence N19°40'32"E, 59.76' to a point; thence a curve to the Right having a Radius of 540.00', a Length of 280.51' and a Direction of N34°33'25"E, 277.37' to a point; thence N49°26'19"E, 244.69' to a point; thence a curve to the Left having a Radius of 25.00', a Length of 38.27' and a Direction of N05°35'05"E, 34.64' to a point; thence N49°26'19"E, 50.04' to a point; thence a curve to the Right having a Radius of 25.00', a Length of 38.27' and a Direction of S86°42'27"E, 34.64' to a point; thence N49°26'19"E, 55.76' to a point; thence a curve to the Left having a Radius of 655.00', a Length of 288.86' and a Direction of N36°48'17"E, 286.52' to a point; thence a curve to the Left having a Radius of 8.00', a Length of 13.10' and a Direction of N22°43'53"W, 11.68' to a point; thence N22°43'53"W, 11.68' to a point; thence N69°38'01"W, 18.54' to a point; thence N24°32'45"E, 50.21' to a point; thence S69°38'01"E, 15.90' to a point; thence a curve to the Left having a Radius of 8.00', a Length of 12.85' and a Direction of N64°20'28"E, 11.51' to a point; thence a curve to the Left having a Radius of 655.00', a Length of 710.34' and a Direction of N12°45'08"W, 676.04' to a point; thence N43°49'14"W, 349.36' to a point; thence a curve to the Right having a Radius of 540.00', a Length of 161.66' and a Direction of N35°14'40"W, 161.05' to a point; thence N33°53'34"W, 32.27' to a point; thence a curve to the Right having a Radius of 545.00', a Length of 131.00' and a Direction of N16°24'52"W, 130.68' to a point; thence N09°31'44"W, 39.04' to a point; thence a curve to the Left having a Radius of 20.00', a Length of 32.64' and a Direction of N56°17'17"W, 29.14' to a point; thence N17°01'28"W, 70.37' to a point; thence a curve to the Left having a Radius of 35.00', a Length of 57.08' and a Direction of N63°44'30"W, 50.96' to a point; thence a curve to the Left having a Radius of 899.85', a Length of 59.13' and a Direction of S67°39'31"W, 59.12' to a point; thence N24°13'25"W, 100.00' to a point; thence a curve to the Right having a Radius of 1,000.00', a Length of 48.98' and a Direction of N67°10'47"E, 48.98' to a point; thence S87°58'17"E, 130.39' to a point; thence S09°31'44"E, 28.27' to a point; thence a curve to the Left having a Radius of 20.00', a Length of 30.32' and a Direction of S52°57'16"E, 27.50' to a point; thence a curve to the Right having a Radius of 1,005.00', a Length of 79.07' and a Direction of N85°52'26"E, 79.05' to a point; thence N88°07'40"E, 207.65' to a point; thence a curve to the Left having a Radius of 880.00', a Length of 299.33' and a Direction of N78°22'59"E, 297.89' to a point; thence S87°54'41"E, 25.01' to a point; thence N66°41'16"E, 199.17' to a point; thence S24°31'49"E, 95.91' to a point; thence S65°28'11"W, 172.84' to a point; thence a curve to the Right having a Radius of 990.00', a Length of 391.50' and a Direction of S76°47'55"W, 388.96' to a point; thence S88°15'11"W, 158.83' to a point; thence S82°47'37"W, 110.66' to a point; thence a curve to the Left having a Radius of 20.00', a Length of 32.23' and a Direction of S36°37'57"W, 28.85' to a point; thence S09°31'44"E, 31.05' to a point; thence a curve to the Left having a Radius of 475.00', a Length of 114.32' and a Direction of S16°25'26"E, 114.05' to a point; thence S14°55'06"E, 28.54' to a point; thence a curve to the Left having a Radius of 480.01', a Length of 143.51' and a Direction of S35°15'20"E, 142.97' to a point; thence S43°49'14"E, 349.36' to a point; thence a curve to the Right having a Radius of 715.00', a Length of 674.37' and a Direction of S16°48'02"E, 649.65' to a point; thence S87°28'46"E, 195.69' to a point; thence S87°28'09"E, 1,310.85' to a point; thence S87°31'29"E, 16.61' to a point; thence S24°36'54"W, 730.39' to a point; thence a curve to the Right having a Radius of 1097.98', a Length of 143.09' and a Direction of S49°31'31"E, 142.99' to a point; thence S45°47'31"E, 153.36' to a point; thence a curve to the Right having a Radius of 880.00', a Length of 231.46' and a Direction of S53°15'39"E, 230.79' to a point; thence S45°47'31"W, 376.61' to a point; thence S35°44'56"W, 30.33' to a point; thence S35°44'56"W, 30.33' to a point; thence N45°47'31"W, 385.60' to a point; thence a curve to the Left having a Radius of 820.00', a Length of 90.03' and a Direction of N48°52'15"E, 89.98' to a point; thence S66°31'41"W, 375.96' to a point; thence N81°31'47"W, 861.72' to a point; thence N81°28'50"W, 149.98' to a point; thence N81°33'25"W, 56.41' to a point; thence N81°44'30"W, 219.28' to a point; thence S19°51'42"W, 340.91' to a point; thence N70°08'18"W, 585.61' to a point; thence S03°40'12"W, 844.63' to a point; thence S03°03'45"W, 587.47' to a point; thence S89°39'02"E, 205.00' to a point; thence N00°17'07"E, 209.76' to a point; thence S89°42'53"E, 210.00' to a point; thence S00°17'07"W, 210.00' to a point; thence S85°26'31"E, 434.14' to a point; thence S56°32'07"W, 821.71' to a point; thence S02°53'36"W, 73.32' to a point; thence N77°53'40"W, 922.38' to a point;

said Iron Pipe being the Point of Beginning.  
Said Annexation contains 4,415,090 square feet / 101.356 acres, more or less.

Easement Line Table		
Line #	Direction	Length
E90	S05°16'12"W	110.52
E91	S65°28'11"W	57.62
E92	N05°16'12"E	111.92
E93	N66°41'16"E	56.94
E95	S01°32'39"W	36.51
E96	S66°43'25"W	562.77
E97	N87°54'57"W	683.87
E98	N87°58'54"W	110.69
E99	N01°20'12"E	50.18
E100	S87°54'41"E	759.44
E101	N66°41'16"E	529.20
E102	S88°26'17"E	65.92
E103	S81°44'30"E	54.38
E104	N05°16'12"E	1024.00
E105	S87°27'56"E	50.06
E106	S05°16'12"W	1029.00
E107	N81°44'30"W	50.07
E108	N45°47'31"W	767.73
E109	N85°20'31"W	494.97
E110	N04°39'29"E	60.00
E111	S85°20'31"E	494.97
E112	S45°47'31"E	758.81
E114	N04°45'16"E	317.54
E115	N19°40'04"E	280.91
E116	S00°17'07"W	150.66
E117	S19°40'04"W	132.24
E118	S04°45'16"W	271.62
E119	S56°32'07"W	63.64
E120	N56°32'07"E	159.14

Curve Table						
Curve #	Radius	Length	Delta	Direction	Chord	Tangent
C1	540.00	280.51	029°45'47"	N34°33'25"E	277.37	143.50
C2	25.00	38.27	087°42'27"	N05°35'05"E	34.64	24.02
C3	25.00	38.27	087°42'27"	S86°42'27"E	34.64	24.02
C4	655.00	288.86	025°16'04"	N36°48'17"E	286.52	146.82
C5	8.00	13.10	093°48'15"	N22°43'53"W	11.68	8.55
C6	8.00	12.85	092°03'02"	N64°20'28"E	11.51	8.29
C7	655.00	710.34	062°08'11"	N12°45'08"W	676.04	394.63
C8	540.00	161.66	017°09'08"	N35°14'40"W	161.05	81.44
C9	545.00	131.00	013°46'17"	N16°24'52"W	130.68	65.81
C10	20.00	32.64	093°31'06"	N56°17'17"W	29.14	21.27
C11	35.00	57.08	093°26'04"	N63°44'30"W	50.96	37.16
C12	899.85	59.13	003°45'54"	S67°39'31"W	59.12	29.58
C13	1000.00	48.98	002°48'24"	N67°10'47"E	48.98	24.50
C14	20.00	30.32	086°51'05"	S52°57'16"E	27.50	18.93
C15	1005.00	79.07	004°30'28"	N85°52'26"E	79.05	39.56
C16	880.00	299.33	019°29'22"	N78°22'59"E	297.89	151.13
C17	990.00	391.50	022°39'29"	S76°47'55"W	388.96	198.34
C18	20.00	32.23	092°19'21"	S36°37'57"W	28.85	20.83
C19	475.00	114.32	013°47'24"	S16°25'26"E	114.05	57.44
C20	480.01	143.51	017°07'47"	S35°15'20"E	142.97	72.29
C21	715.00	674.37	054°02'25"	S16°48'02"E	649.65	364.63
C28	1097.98	143.09	007°28'00"	S49°31'31"E	142.99	71.65
C29	880.00	231.46	015°04'12"	S53°15'39"E	230.79	116.40
C30	820.00	90.03	006°17'26"	N48°52'15"W	89.98	45.06

Easement Curve Table						
Curve #	Radius	Length	Delta	Direction	Chord	Tangent
EC23	1070.35	411.40	022°01'20"	N56°49'40"W	408.87	208.27
EC24	1065.04	325.80	017°31'38"	N76°36'09"W	324.53	164.18
EC25	1127.96	344.10	017°28'44"	S76°36'09"E	342.77	173.40
EC26	1127.99	434.53	022°04'18"	S56°49'40"E	431.85	219.99

Line Table			Line Table		
Line #	Direction	Length	Line #	Direction	Length
L1	N02°44'07"E	994.82	L45	N33°53'34"W	32.27
L2	N86°50'22"W	258.73	L46	N09°31'44"W	39.04
L3	N39°30'30"E	26.26	L47	N17°01'28"W	70.37
L4	N23°42'22"W	35.95	L48	N24°13'25"W	100.00
L5	N13°54'09"E	79.15	L49	S87°58'54"E	49.66
L6	N17°33'13"W	18.56	L50	S87°58'17"E	130.39
L7	N67°29'17"E	37.85	L51	S09°31'44"E	28.27
L8	N02°16'21"W	22.18	L52	N88°07'40"E	207.65
L9	N70°27'02"W	29.99	L53	S87°54'41"E	25.01
L10	N44°05'42"W	39.31	L54	N66°41'16"E	199.17
L11	N13°50'46"E	28.19	L55	S24°31'49"E	95.91
L12	N66°20'10"E	26.21	L56	S65°28'11"W	172.84
L13	N16°14'26"E	42.75	L57	S88°15'11"W	158.83
L14	N42°08'44"E	49.37	L58	S82°47'37"W	110.66
L15	N12°33'20"W	47.21	L59	S09°31'44"E	31.05
L16	S89°48'05"W	27.39	L60	S14°55'06"E	28.54
L17	N47°19'12"W	39.00	L61	S43°49'14"E	349.36
L18	N17°31'45"E	67.92	L62	S87°28'46"E	195.69
L19	S52°16'45"E	28.62	L63	S87°28'09"E	1310.85
L20	N53°21'20"E	14.91	L64	S87°31'29"E	16.61
L21	N12°12'41"E	91.90	L65	S24°36'54"W	730.39
L22	N02°59'42"W	51.52	L66	S45°47'31"E	153.36
L23	N59°30'21"W	62.80	L67	S45°47'31"E	376.61
L24	S39°54'45"W	52.49	L68	S35°44'56"W	30.33
L25	S81°30'52"W	18.15	L69	S35°44'56"W	30.33
L26	N37°30'45"W	51.54	L70	N45°47'31"W	385.60
L27	N14°00'20"W	81.92	L71	S66°31'41"W	375.96
L28	N41°47'32"E	23.66	L72	N81°31'47"W	861.72
L29	N31°38'22"W	1.96	L73	N81°28'50"W	149.98
L30	N09°34'30"W	39.41	L74	N81°33'25"W	56.41
L31	N04°27'00"E	78.83	L75	N81°44'30"W	219.28
L32	S86°25'14"E	33.05	L76	S19°51'42"W	340.91
L33	N79°11'30"E	445.19	L77	N70°08'18"W	585.61
L34	N48°13'38"E	50.09	L78	S03°40'12"W	844.63
L35	N22°54'33"E	74.47	L79	S03°03'45"W	587.47
L36	S87°24'13"E	584.86	L80	S89°39'02"E	205.00
L37	N19°40'32"E	59.76	L81	N00°17'07"E	209.76
L38	N49°26'19"E	244.69	L82	S89°42'53"E	210.00
L39	N49°26'19"E	50.04	L83	S00°17'07"W	210.00
L40	N49°26'19"E	55.76	L84	S85°26'31"E	434.14
L41	N69°38'01"W	18.54	L85	S56°32'07"W	821.71
L42	N24°32'45"E	50.21	L86	S02°53'36"W	73.32
L43	S69°38'01"E	15.90	L87	N77°53'40"W	922.38
L44	N43°49'14"W	349.36			



UNLESS THIS MAP IS SIGNED AND SEALED BY THE SURVEYOR IN CHARGE, THIS MAP IS CONSIDERED PRELIMINARY AND NOT TO BE USED FOR RECORDING, CONVEYANCE OR SALES

**Bateman Civil Survey Company**  
 Engineers • Surveyors • Planners  
 2524 Reliance Ave., Apex, NC 27539  
 Phone: 919.577.1080 Fax: 919.577.1081  
 NCBSLS FIRM No. C-2376

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OWNER  
**MFW INVESTMENTS LLC**  
 114 BIRKLANDS DRIVE  
 CARY, NORTH CAROLINA, 27518

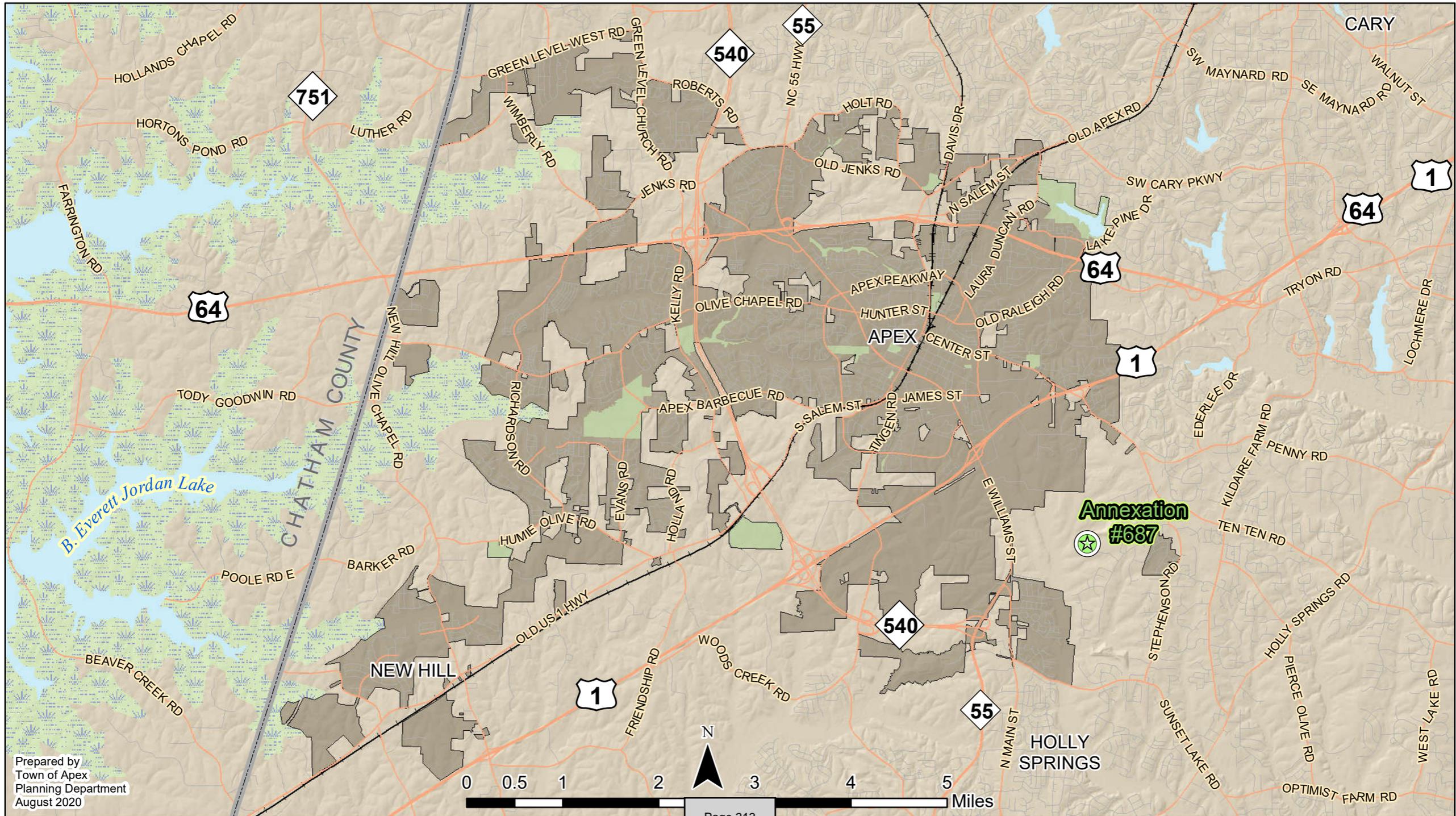
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ANNEXATION MAP  
 FOR THE TOWN OF APEX  
 APEX, NC, WAKE COUNTY, WHITE OAK TOWNSHIP  
 REID# 0099938, 0463860, 0034313, 0012276, 0434123, 0449641, 0457588,  
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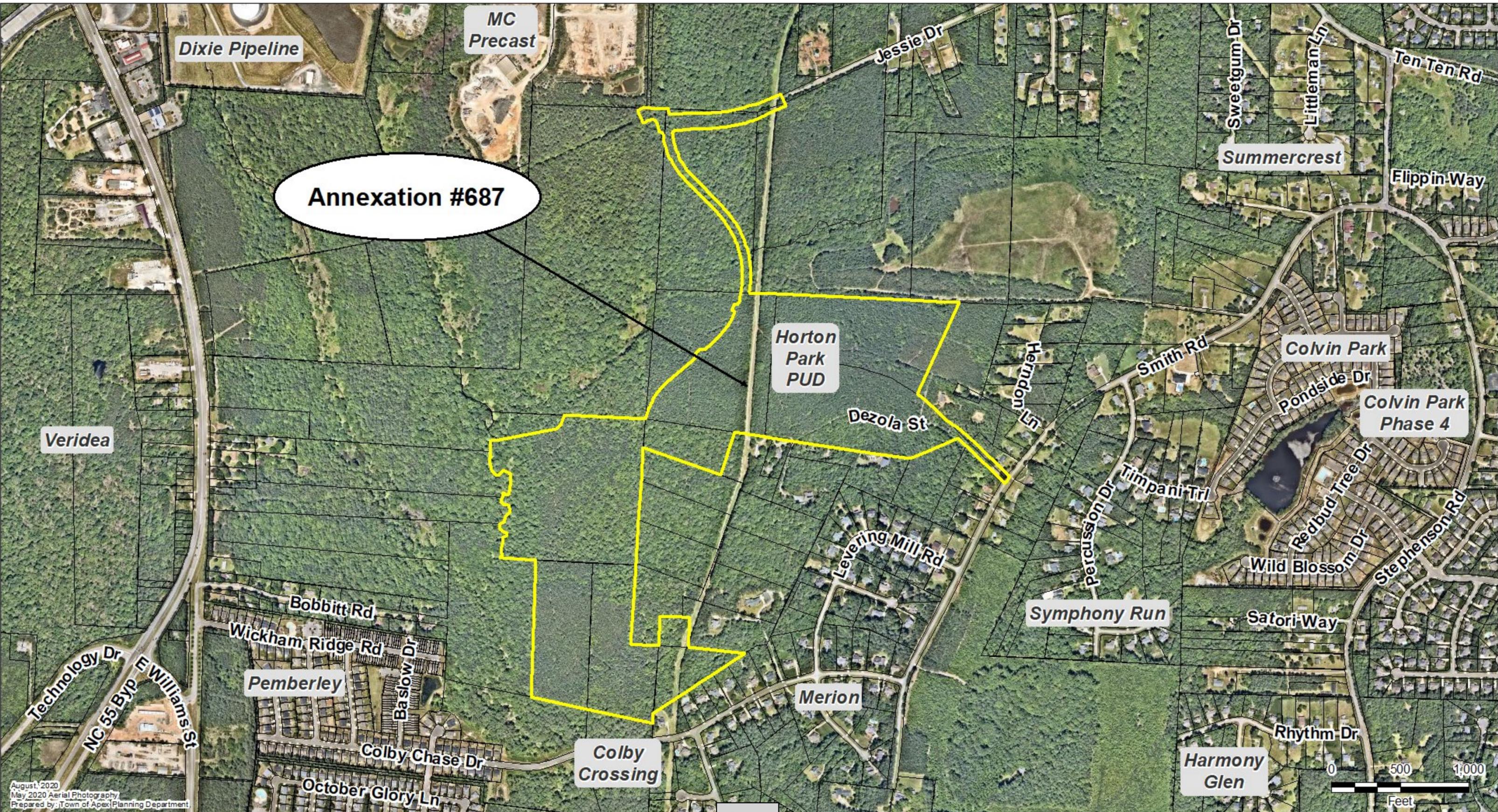
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Designed By: N/A  
 Drawn By: JCH  
 Checked By: JWB  
 Scale:  
 Date: 03/24/2020  
 Project #: 180585

**SHEET**  
**7 OF 7**

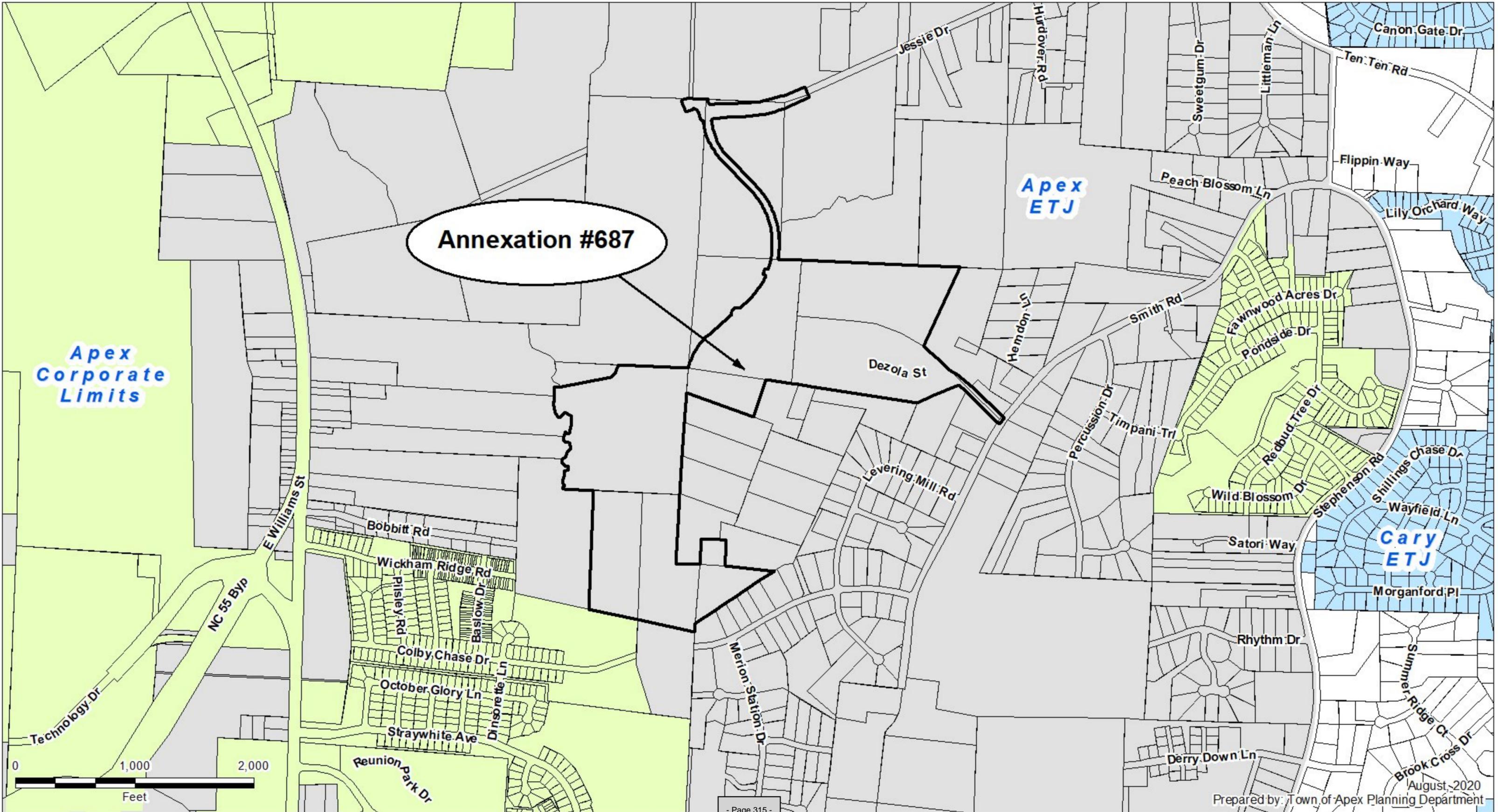


Prepared by  
Town of Apex  
Planning Department  
August 2020



**Annexation #687**

August, 2020  
May 2020 Aerial Photography  
Prepared by: Town of Apex Planning Department

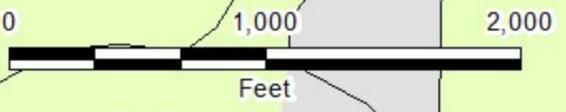


Annexation #687

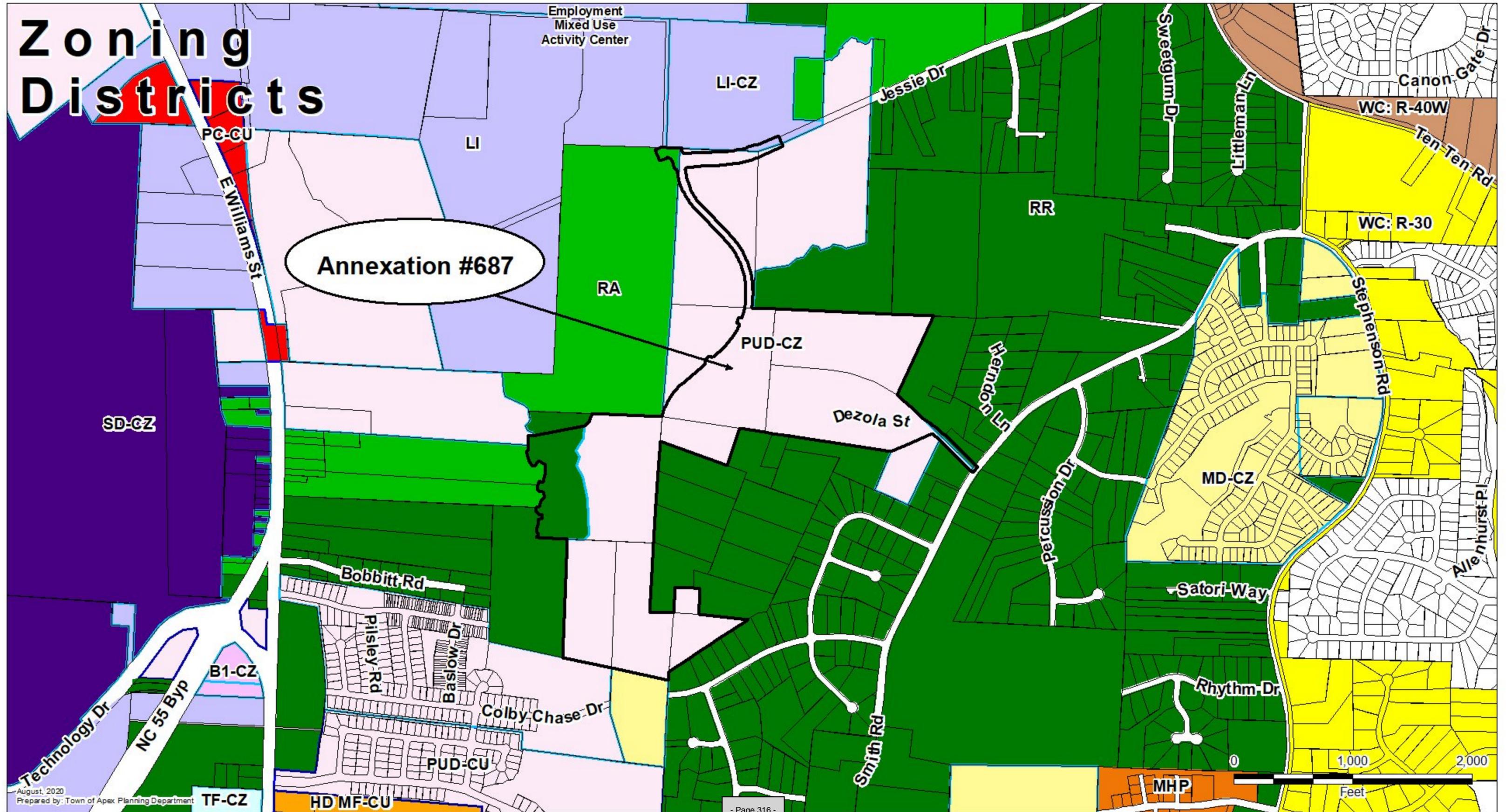
Apex  
Corporate  
Limits

Apex  
ETJ

Cary  
ETJ



# Zoning Districts



# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: PUBLIC HEARING  
Meeting Date: December 15, 2020

## Item Details

Presenter: Dianne Khin, Director of Planning and Community Development  
Department: Planning and Community Development

### Requested Motion

Public hearing and possible motion to adopt an Ordinance on the Question of Annexation – Apex Town Council's intent to annex MCI Enterprises LLC (MCI Business Park Buildings 3 & 4) property containing 5.53 acres located at MCI Business Park, Annexation #697 into the Town's corporate limits.

### Approval Recommended?

Yes, by the Planning and Community Development Department.

### Item Details

The Town Clerk certifies to the investigation of said annexation.

### Attachments

- Annexation Ordinance
- Annexation Petition
- Legal Description
- Preliminary Plat





TOWN OF APEX, NORTH CAROLINA  
Municipality No. 333

After recording, please return to:  
Donna Hosch, MMC, NCCMC, Town Clerk  
Town of Apex  
P.O. Box 250  
Apex, NC 27502

ORDINANCE NO. 2020-1215-38  
ANNEXATION PETITION NO. #697  
MCI Enterprises LLC (MCI Business Park Buildings 3 & 4)

AN ORDINANCE TO EXTEND THE CORPORATE LIMITS  
OF THE TOWN OF APEX, NORTH CAROLINA  
P.O. Box 250, Apex, North Carolina 27502

WHEREAS, the Apex Town Council has been petitioned under G.S.§160A-31, as amended, to annex the area described herein; and

WHEREAS, the Apex Town Council has by Resolution directed the Town Clerk to investigate the sufficiency of said petition; and

WHEREAS, the Town Clerk has certified the sufficiency of said petition and a public hearing on the question of this annexation was held at Apex Town Hall at 6:00 p.m. on December 15, 2020, after due notice by posting to the Town of Apex website, <http://www.apexnc.org/news/public-notices-legal-ads>; and

WHEREAS, the Apex Town Council does hereby find as a fact that said petition meets the requirements of G.S.§160A-31, as amended.

NOW, THEREFORE, BE IT ORDAINED by the Town Council of Apex, North Carolina:

Section 1. By virtue of the authority granted by G.S.§160A-31, as amended, the territory described in the attached property description and also shown as "Annexation Area" on the below identified survey plat is hereby annexed and made part of the Town of Apex, North Carolina, as of the date of adoption of this Ordinance on Insert public hearing month day, year. The survey plats that describes the annexed territory is that certain survey plats entitled "Annexation Map for the Town of Apex, Atkinson Land Surveying, PLLC Professional Land Surveyors P-1719, dated August 29, 2020 & Annexation Map for the Town of Apex, Atkinson Land Surveying, PLLC Professional Land Surveyors, dated July 29, 2020 listed on the plat" and recorded in Book of Maps book number 2020 and page number [REDACTED], Wake County Registry.

Section 2. Upon and after the adoption of this ordinance, the territory described herein and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the Town of Apex, North Carolina, and shall be entitled to the same privileges and benefits as other parts of the Town of Apex. Said territory shall be subject to municipal taxes according to G.S.§160A-58.10, as amended.

Section 3. The Clerk of the Town of Apex, North Carolina shall cause to be recorded in the Office of the Register of Deeds of Wake County and in the Office of the Secretary of State at Raleigh, North Carolina and in the Office of the Wake County Board of Elections an accurate map of the annexed territory, described in Section 1 hereof, together with a duly certified copy of this Ordinance.

Adopted this the 15th day of December 2020.

\_\_\_\_\_  
Jacques K. Gilbert  
Mayor

ATTEST:

\_\_\_\_\_  
Donna B. Hosch, MMC, NCCMC  
Town Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Laurie L. Hohe  
Town Attorney

Legal Description

PIN #0740959547

Beginning at an existing iron pipe having NC Grid coordinates of N 705724.78 E 2049671.06 Thence from said point of beginning S76-16-50 E 8.91 ft to an existing iron pipe. Thence S 76-16-50 E 639.21 ft to an existing iron pipe. Thence S 01-22-45 E 127.09 ft to an existing iron pipe. Thence N 83-41-09 W 629.72 ft to an existing iron pipe. Thence N 83-36-53 W 6.50 ft to an existing iron pipe. Thence N 00-05-29 W 210.79 ft to the point and place of beginning. Containing 2.44 acres as shown on book of maps 1988, page 1805

PIN #0740959168

Beginning at an iron pipe, said pipe being the north east corner of book of maps 1981, page 383, thence S00-05-01E 60.18 to a point, thence S85-41-42E 19.99 to a point, thence S85-42-37E 88.77 to a point, thence S00-22-13E 265.00 to a point, thence S85-41-20E 395.12 to a point, thence N00-22-03W 60.20 to a point, thence N00-20-38W 135.00 to a point, thence N00-19-34W 130.05 to a point, thence N85-41-47W 335.06 to a point, thence N85-42-36W 153.11 to a point, thence N85-38-18W 15.58 to the point and place of beginning containing 3.09 acres

STATE OF NORTH CAROLINA

COUNTY OF WAKE

CLERK'S CERTIFICATION

I, Donna B. Hosch, MMC, NCCMC, Town Clerk, Town of Apex, North Carolina, do hereby certify the foregoing is a true and correct copy of Annexation Ordinance No. 2020-1215-38, adopted at a meeting of the Town Council, on the 15<sup>th</sup> day of December, 2020, the original of which will be on file in the Office of the Town Clerk of Apex, North Carolina.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official Seal of the Town of Apex, North Carolina, this the 16<sup>th</sup> day of December 2020.

\_\_\_\_\_  
Donna B. Hosch, MMC, NCCMC  
Town Clerk

(SEAL)

# PETITION FOR VOLUNTARY ANNEXATION

This document is a public record under the North Carolina Public Records Act and may be published on the Town's website or disclosed to third parties.

Application #: 697  
Fee Paid: \$ 200.00

Submittal Date: 8/3/2020  
Check #: 1670

## TO THE TOWN COUNCIL APEX, NORTH CAROLINA

1. We, the undersigned owners of real property, respectfully request that the area described in Part 4 below be annexed to the Town of Apex, Wake County, North Carolina.
2. The area to be annexed is  contiguous,  non-contiguous (satellite) to the Town of Apex, North Carolina and the boundaries are as contained in the metes and bounds description attached hereto.
3. If contiguous, this annexation will include all intervening rights-of-way for streets, railroads and other areas as stated in G.S. 160A-31(f), unless otherwise stated in the annexation amendment.

### Owner Information

MCI Enterprises LLC  
Owner Name (Please Print)  
919-481-3434  
Phone

0740959168  
Property PIN or Deed Book & Page #  
mmattachione@mattachione.com  
E-mail Address

MCI Enterprises LLC  
Owner Name (Please Print)  
919-481-3434  
Phone

0740959547  
Property PIN or Deed Book & Page #  
mmattachione@mattachione.com  
E-mail Address

\_\_\_\_\_  
Owner Name (Please Print)  
\_\_\_\_\_  
Phone

\_\_\_\_\_  
Property PIN or Deed Book & Page #  
\_\_\_\_\_  
E-mail Address

### Surveyor Information

Surveyor: Atkinson Land Surveying, PLLC

Phone: 919-556-6818

Fax: \_\_\_\_\_

E-mail Address: alspllc@earthlink.net

### Annexation Summary Chart

Property Information		Reason(s) for annexation (select all that apply)	
Total Acreage to be annexed:	<u>5.53</u>	Need water service due to well failure	<input type="checkbox"/>
Population of acreage to be annexed:	<u>0</u>	Need sewer service due to septic system failure	<input type="checkbox"/>
Existing # of housing units:	<u>0</u>	Water service (new construction)	<input checked="" type="checkbox"/>
Proposed # of housing units:	<u>0</u>	Sewer service (new construction)	<input checked="" type="checkbox"/>
Zoning District*:	<u>LI-CZ</u>	Receive Town Services	<input checked="" type="checkbox"/>

\*If the property to be annexed is not within the Town of Apex's Extraterritorial Jurisdiction, the applicant must also submit a rezoning application with the petition for voluntary annexation to establish an Apex zoning designation. Please contact the Planning Department at 919-249-3426 for questions.

PETITION FOR VOLUNTARY ANNEXATION

Application #: 697

Submittal Date: 8/3/2020

COMPLETE IF SIGNED BY INDIVIDUALS:

All individual owners must sign. (If additional signatures are necessary, please attach an additional sheet.)

Michael Matarichione
Please Print

[Signature]
Signature

Please Print

Signature

Please Print

Signature

Please Print

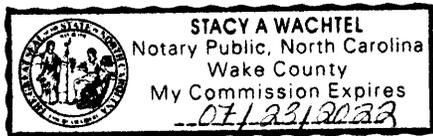
Signature

STATE OF NORTH CAROLINA
COUNTY OF WAKE

Sworn and subscribed before me, Stacy A. Wachtel, a Notary Public for the above State and County, this the 22 day of July, 2020.

[Signature]
Notary Public

SEAL



My Commission Expires: July 23, 2022

COMPLETE IF A CORPORATION:

In witness whereof, said corporation has caused this instrument to be executed by its President and attested by its Secretary by order of its Board of Directors, this the \_\_\_ day of \_\_\_, 20\_\_.

Corporate Name \_\_\_\_\_

SEAL

By: \_\_\_\_\_
President (Signature)

Attest:

Secretary (Signature)

STATE OF NORTH CAROLINA
COUNTY OF WAKE

Sworn and subscribed before me, \_\_\_\_\_, a Notary Public for the above State and County, this the \_\_\_ day of \_\_\_, 20\_\_.

\_\_\_\_\_  
Notary Public

SEAL

My Commission Expires: \_\_\_\_\_

PETITION FOR VOLUNTARY ANNEXATION

Application #: 697

Submittal Date: 8/3/2020

COMPLETE IF IN A LIMITED LIABILITY COMPANY

In witness whereof, MCI ENTERPRISES LLC a limited liability company, caused this instrument to be executed in its name by a member/manager pursuant to authority duly given, this the 22 day of JULY, 2020.

Name of Limited Liability Company MCI ENTERPRISES, LLC

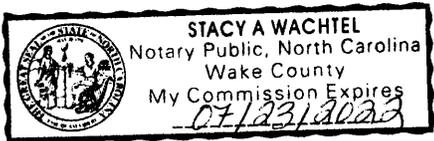
By: [Signature]  
Signature of Member/Manager

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

Sworn and subscribed before me, Stacy A. Wachtel, a Notary Public for the above State and County, this the 22<sup>nd</sup> day of JULY, 2020.

Stacy A. Wachtel  
Notary Public

SEAL



My Commission Expires: July 23, 2022

COMPLETE IF IN A PARTNERSHIP

In witness whereof, \_\_\_\_\_, a partnership, caused this instrument to be executed in its name by a member/manager pursuant to authority duly given, this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Name of Partnership \_\_\_\_\_

By: \_\_\_\_\_  
Signature of General Partner

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

Sworn and subscribed before me, \_\_\_\_\_, a Notary Public for the above State and County, this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public

SEAL

My Commission Expires: \_\_\_\_\_

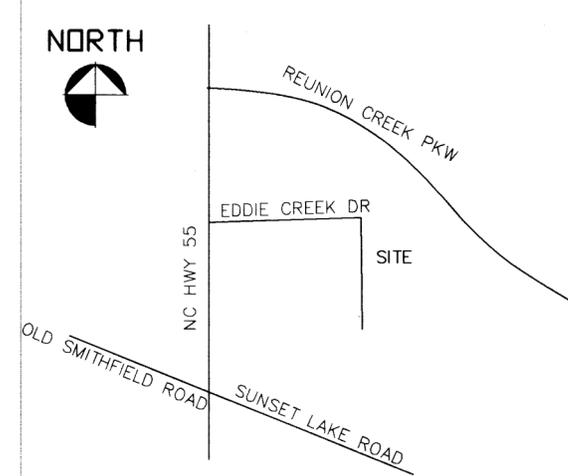
Legal Description PIN #0740959547

Beginning at an existing iron pipe having NC Grid coordinates of N 705724.78 E 2049671.06 Thence from said point of beginning S76-16-50 E 8.91 ft to an existing iron pipe. Thence S 76-16-50 E 639.21 ft to an existing iron pipe. Thence S 01-22-45 E 127.09 ft to an existing iron pipe. Thence N 83-41-09 W 629.72 ft to an existing iron pipe. Thence N 83-36-53 W 6.50 ft to an existing iron pipe. Thence N 00-05-29 W 210.79 ft to the point and place of beginning. Containing 2.44 acres as shown on book of maps 1988, page 1805

Legal Description PIN #0740959168

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NORTH



VICINITY MAP (NTS)

I JAMES WADE ATKINSON, JR, CERTIFY THAT THIS MAP WAS DRAWN UNDER MY SUPERVISION FROM AN ACUTAL GPS SURVEY MADE UNDER MY SUPERVISION AND THE FOLLOWING INFORMATION WAS USED TO PERFORM THE SURVEY:

- (1) CLASS OF SURVEY: 1
- (2) POSITIONAL ACCURACY: 0.03
- (3) TYPE OF GPS FIELD PROCEEDURE: L1, L2 STATIC
- (4) DATES OF SURVEY : 5-28-2018
- (5) DATUM/EPOCH: NAD 83(2011)
- (6) PUBLISHED/FIXED CONTROL USED: OPUS SOLUTION
- (7) GEIOD MODEL: GEIOD09
- (8) COMBINED GRID FACTOR: 0.99988977
- (9) UNITS: US FEET

*James W. Atkinson, Jr.*  
REGISTERED LAND SURVEYOR

I, JAMES W. ATKINSON, JR. A PROFESSIONAL LAND SURVEYOR, CERTIFY THAT THIS PLAT IS A SURVEY OF AN EXISTING PARCEL OR PARCELS OF LAND.

*James W. Atkinson, Jr.*  
JAMES W. ATKINSON, JR P.L.S. L-3449

NOTES:

- PROPERTY IS SUBJECT TO ALL EASEMENTS, AGREEMENTS AND R.O.W.'S ON RECORD PRIOR TO THE RECORDING OF THIS PLAT.
- ALL DISTANCES ARE HORIZONTAL GROUND DISTANCES

NORTH CAROLINA  
WAKE COUNTY

I, JAMES WADE ATKINSON, JR., CERTIFY THAT THIS PLAT WAS DRAWN UNDER MY SUPERVISION FROM (AN ACTUAL FIELD SURVEY MADE UNDER MY SUPERVISION) (DEED DESCRIPTION RECORDED IN DEED BOOK 17055, PAGE # 1653, ECT.) (OTHER), THAT THE RATIO OF PRECISION AS CALCULATED BY LATITUDES AND DEPARTURES IS 1:10,000 AND THAT THE BOUNDARIES NOT SURVEYED ARE SHOWN AS BROKEN LINES PLOTTED FROM INFORMATION FOUND IN THE REFERENCES LISTED; THAT THIS PLAT WAS PREPARED IN ACCORDANCE WITH G.S. 47-30 AS AMENDED. WITNESS MY ORIGINAL SIGNATURE REGISTRATION NUMBER AND SEAL THIS 29HT DAY OF JULY, A.D., 2020.

SEAL OR STAMP

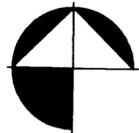


*James W. Atkinson, Jr.*  
SURVEYOR  
L-3449  
REGISTRATION NUMBER

THE PROPERTY SHOWN HEREON IS NOT WITHIN FLOOD PLAIN PER FEMA FIRM PANEL # 37183C0483E EFFECTIVE DATE 3-3-1992

ANNEXATION # \_\_\_\_\_  
I, DONNA B. HOSCH, MMC, NCCMC, TOWN CLERK, APEX NORTH CAROLINA CERTIFY THIS A TRUE AND EXACT MAP OF ANNEXATION  
ADOPTED THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2020 BY THE TOWN COUNCIL. I SET MY HAND AND SEAL OF THE TOWN OF APEX,  
DAY MONTH YEAR \_\_\_\_\_

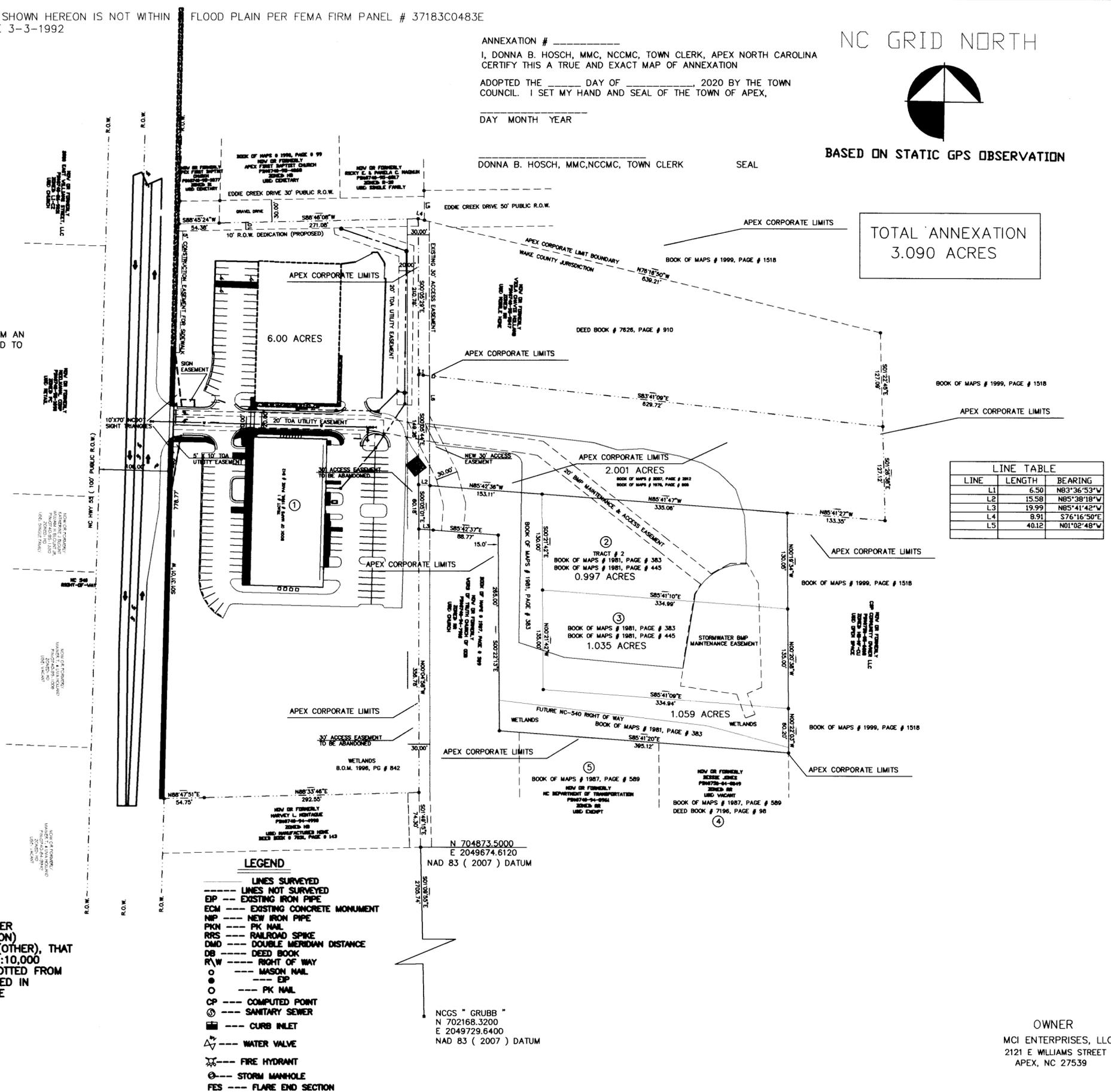
NC GRID NORTH



BASED ON STATIC GPS OBSERVATION

DONNA B. HOSCH, MMC, NCCMC, TOWN CLERK SEAL

TOTAL ANNEXATION  
3.090 ACRES



LINE TABLE		
LINE	LENGTH	BEARING
L1	6.50	N83°36'53"W
L2	15.58	N85°38'18"W
L3	19.99	N85°41'42"W
L4	8.91	S76°16'50"E
L5	40.12	N01°02'48"W

LEGEND

- LINES SURVEYED
- LINES NOT SURVEYED
- EXISTING IRON PIPE
- EXISTING CONCRETE MONUMENT
- NEW IRON PIPE
- PK NAIL
- RAILROAD SPIKE
- DOUBLE MERIDIAN DISTANCE
- DEED BOOK
- RIGHT OF WAY
- --- MASON NAIL
- --- EIP
- --- PK NAIL
- --- COMPUTED POINT
- --- SANITARY SEWER
- --- CURB INLET
- --- WATER VALVE
- --- FIRE HYDRANT
- --- STORM MANHOLE
- --- FLARE END SECTION

NCGS "GRUBB"  
N 702168.3200  
E 2049729.6400  
NAD 83 ( 2007 ) DATUM

OWNER  
MCI ENTERPRISES, LLC  
2121 E WILLIAMS STREET  
APEX, NC 27539

REVISIONS

"ANNEXATION MAP for the TOWN OF APEX"

ATKINSON LAND SURVEYING, PLLC  
PROFESSIONAL LAND SURVEYORS P-1719  
3155 TARBORO ROAD  
YOUNGSVILLE, NC 27596  
TELE: 556-6818

50' 0' 100'

TOWNSHIP: WHITE OAK  
STATE: NORTH CAROLINA  
ZONE = LI-CZ

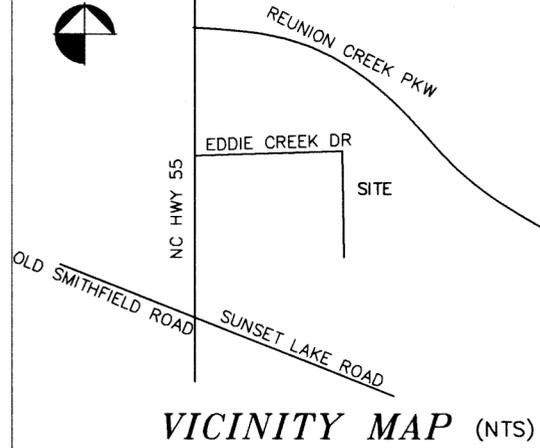
COUNTY: WAKE  
ADDRESS: 0 EDDIE CREEK DR  
PIN # 0740959168

DATE: 08-29-2020  
SCALE: 1" = 100'  
CHECKED & CLOSURE

SURVEYED BY: JWA  
DRAWN BY: JWA

ANNEXATION #

NORTH



VICINITY MAP (NTS)

I JAMES WADE ATKINSON, JR, CERTIFY THAT THIS MAP WAS DRAWN UNDER MY SUPERVISION FROM AN ACUTAL GPS SURVEY MADE UNDER MY SUPERVISION AND THE FOLLOWING INFORMATION WAS USED TO PERFORM THE SURVEY:

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- (6) PUBLISHED\FIXED CONTROL USED: OPUS SOLUTION
- (7) GEOID MODEL: GEOID09
- (8) COMBINED GRID FACTOR: 0.99988977
- (9) UNITS: US FEET

*[Signature]*  
**REGISTERED LAND SURVEYOR**

TOTAL ANNEXATION  
 2.44 ACRES

GRID NORTH

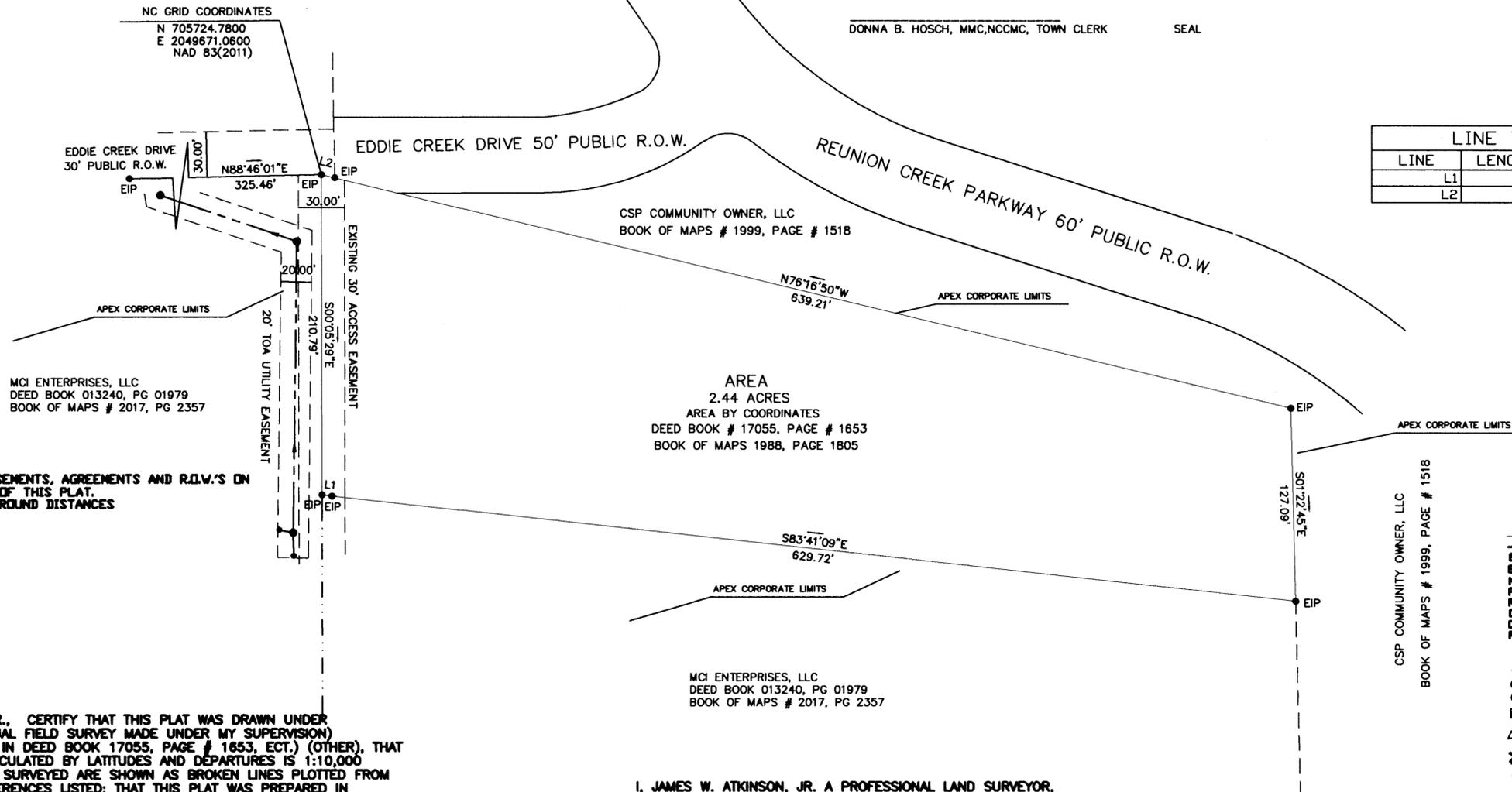


BASED ON  
GPS OBSERVATION

ANNEXATION # \_\_\_\_\_  
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 DAY MONTH YEAR

DONNA B. HOSCH, MMC, NCCMC, TOWN CLERK SEAL

REFERENCES  
 DEED BOOK # 17055, PAGE # 1653  
 BOOK OF MAPS 1988, PAGE 1805



LINE TABLE		
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L1	6.50	N83°36'53"W
L2	8.91	S76°16'50"E

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 -ALL DISTANCES ARE HORIZONTAL GROUND DISTANCES

NORTH CAROLINA  
 WAKE COUNTY

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SEAL OR STAMP

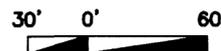


*[Signature]*  
 SURVEYOR  
 L-3449  
 REGISTRATION NUMBER

*[Signature]*  
 JAMES W. ATKINSON, JR P.L.S. L-3449

OWNER  
 MCI ENTERPRISES, LLC  
 2121 E WILLIAMS STREET  
 APEX, NC 27539

REVISIONS		"ANNEXATION MAP for the TOWN OF APEX"		ATKINSON LAND SURVEYING, PLLC PROFESSIONAL LAND SURVEYORS P-1719 3155 TARBORO ROAD YOUNGSVILLE, NC 27596 TELE: 556-6818	
		TOWNSHIP: WHITE OAK	COUNTY: WAKE	DATE: 07-29-2020	SURVEYED BY: JWA
		STATE: NORTH CAROLINA	ADDRESS: 5513 EDDIE CREEK DR	SCALE: 1" = 60'	DRAWN BY: JWA
		ZONE = LI-CZ	PIN # 0740959547	CHECKED & CLOSURE BY: JWA	ANNEXATION #





Home Community Church

Annexation #697

Eddie Creek Dr

Reunion Arbor Ln

Reunion Creek Pkwy

Reunion Park Dr

Reunion Ridge Way

E Williams St

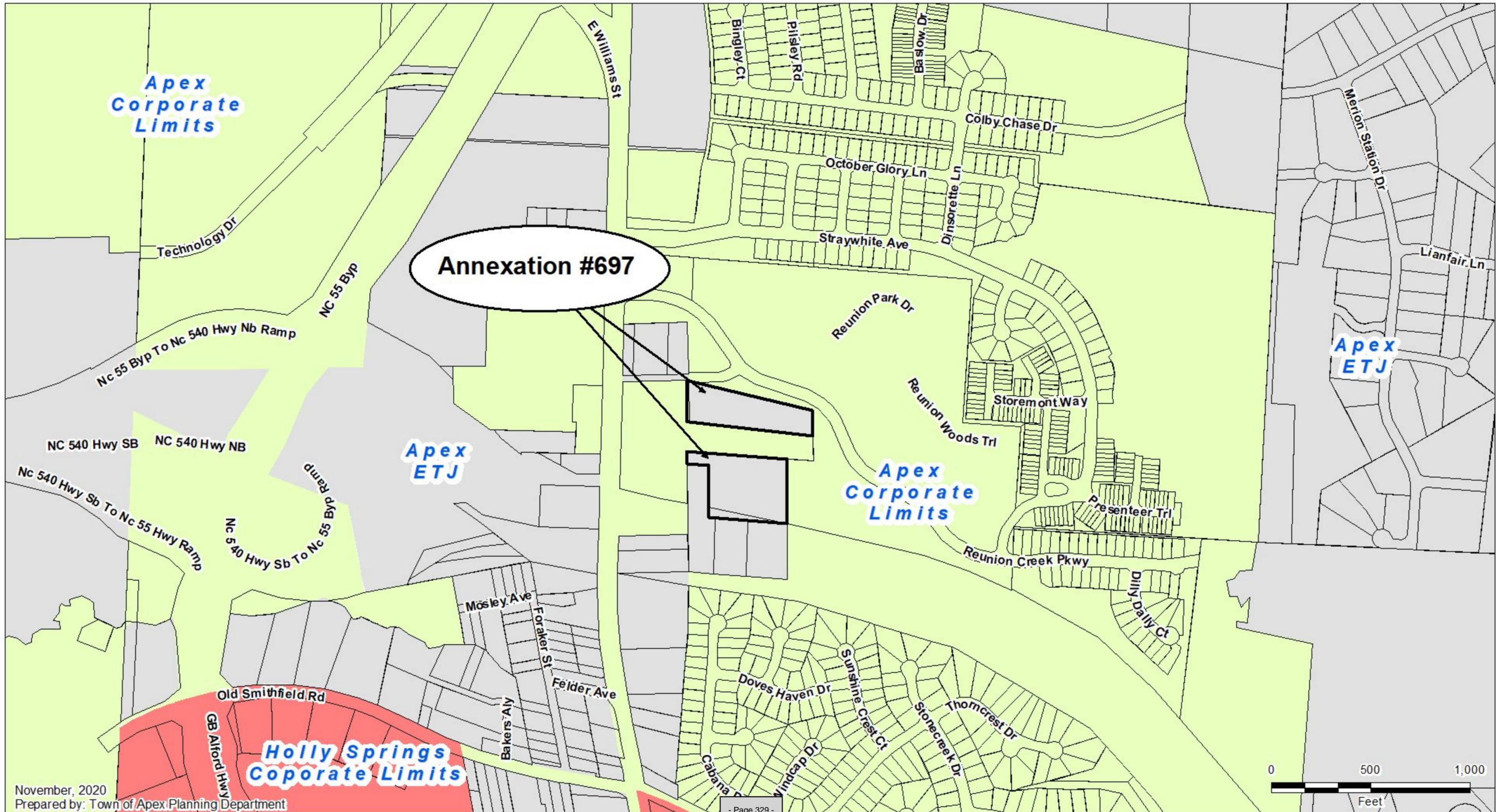
MCI Business Park

Camden Reunion Park

Miramonte

Reunion Woods Trl

Reunion Meadows Ln



**Apex  
Corporate  
Limits**

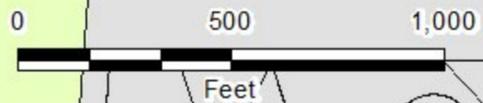
**Annexation #697**

**Apex  
ETJ**

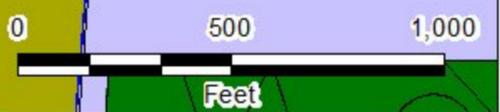
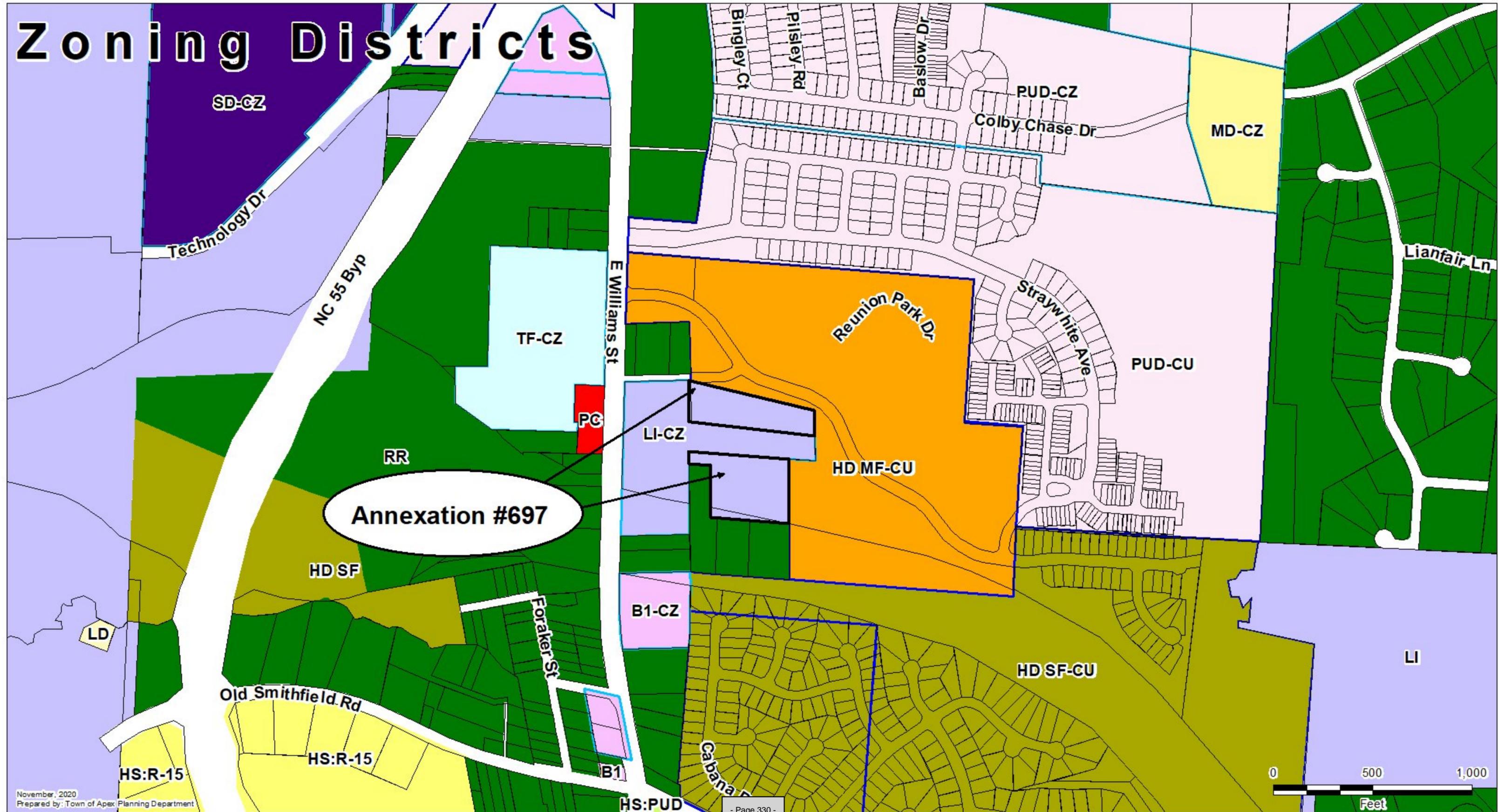
**Apex  
Corporate  
Limits**

**Apex  
ETJ**

**Holly Springs  
Corporate Limits**



# Zoning Districts



# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: PUBLIC HEARING  
Meeting Date: December 15, 2020

## Item Details

Presenter(s): Shelly Mayo, Planner II  
Department(s): Planning and Community Development

### Requested Motion

Public hearing and possible motion to approve the 2020 Annual Hazard Mitigation Action Plan Update.

### Approval Recommended?

Planning Staff recommends approval.

The Planning Board will hear this item at their meeting on December 14, 2020. Staff will provide their recommendation at the Town Council meeting.

### Item Details

\*\*

### Attachments

- Staff Report
- Annual Hazard Mitigation Action Plan Update
- Public Notice





The purpose of this public hearing is to receive public comments on the adoption of the 2020 Annual Hazard Mitigation Action Plan Update.

**ATTACHMENTS**

- 1. Apex Mitigation Action Plan

**WAKE COUNTY MULTI-JURISDICTIONAL HAZARD MITIGATION PLAN:**

In an effort to reduce the nation's mounting natural disaster losses, the U.S. Congress passed the Disaster Mitigation Act of 2000 (DMA 2000), which requires state and local governments to develop hazard mitigation plans as a condition for federal mitigation grant assistance. These funds are administered by the Federal Emergency Management Agency (FEMA) under the Department of Homeland Security, and include:

- the Hazard Mitigation Grant Program (HMGP),
- the Pre-Disaster Mitigation Program (PDM), and
- the Flood Mitigation Assistance Program (FMA).

DMA 2000 also requires that jurisdictions update their hazard mitigation plans every five (5) years. If the approved hazard mitigation plan expires and a new one is not adopted, that jurisdiction is not able to pursue federal funding for which a current hazard mitigation plan is a prerequisite.

The Town of Apex's initial Hazard Mitigation Plan was approved in 2004, and has been updated every five (5) years since. In 2014, Wake County and most of the municipalities within the County joined together to develop the first Wake County Multi-Jurisdictional Hazard Mitigation Plan. Previously, each jurisdiction had developed an individual Hazard Mitigation Plan. In 2019, the Town and other Wake County Municipalities adopted the 2020 – 2025 Wake County Multi-Jurisdictional Hazard Mitigation Plan, which includes a Mitigation Action Plan that is specific to the Town of Apex. It is encouraged that the Town review and update the Mitigation Action Plan annually to ensure that goals and objectives continue to address current and expected conditions.

**WHO WILL BENEFIT FROM THIS PLAN?**

The citizens and businesses of Apex are the ultimate beneficiaries of the 2020 - 2025 Wake County Multi-Jurisdictional Hazard Mitigation Plan. The plan strives to reduce risk for those who live in, work in, and visit Apex. It provides a viable planning framework for all foreseeable hazards that may impact the Town. Participation in development of the plan by key stakeholders has helped to ensure mutually beneficial outcomes. The resources and background information in the plan are applicable town-wide, and the plan's goals and recommendations lay groundwork for the development and implementation of local mitigation activities and partnerships.

The 2020 - 2025 Wake County Multi-Jurisdictional Hazard Mitigation Plan seeks to reduce the instances where the worlds of violent natural occurrence and the human environment intersect. By reducing the risk of personal injury and property damage, a community can lessen the effects of a "disaster" when one of these events crosses paths with people.

**TOWN OF APEX HAZARD MITIGATION PLAN MEMBERS**

Each year, the Hazard Mitigation Plan members meet to discuss and review the Mitigation Action Plan. The Hazard Mitigation Plan Members include the following:

Department	Committee Designee
Administration	Drew Havens, Town Manager Shawn Purvis, Assistant Town Manager Marty Stone, Assistant Town Manager
Electric	Rodney Smith, Technical Services Manager

**STAFF REPORT**  
**2020 Annual Hazard Mitigation Action Plan Update**

December 15, 2020 Town Council Meeting



<b>Finance</b>	Vance Holloman, Director
<b>Fire Department</b>	Keith McGee, Fire Chief Preston Clark, Assistant Chief Karl Huegerich, Fire Marshall
<b>Information Technology</b>	Erika Sacco, Director Mike Boyd, Analyst
<b>Parks, Recreation, and Cultural Resources</b>	John Brown, Director Angela Reincke, Parks and Greenways Planner
<b>Planning &amp; Community Development</b>	Dianne Khin, Director Amanda Bunce, Current Planning Manager Shelly Mayo, Planner II Will Brown, GIS Analyst
<b>Police</b>	John Letteney, Police Chief Captain Joseph Best
<b>Public Works &amp; Transportation</b>	Jose Martinez, Director Adam Stephenson, Floodplain Administrator Randy Bennetts, Street Supervisor
<b>Water Resources</b>	Mike Deaton, Director

**ACTION PLAN**

The 2020 - 2025 Wake County Multi-Jurisdictional Hazard Mitigation Plan includes an Action Plan for each jurisdiction; the Town of Apex’s Plan is listed in Annex C, which is included in Attachment 1 (starting on page 310). The Action Plan includes action items that reduce the Town of Apex’s vulnerability to the effects of natural hazards. The Action Plan is the core of the Hazard Mitigation Plan and includes an outline of mitigation actions by each department, priority, and target date of completion. Many of these items are also listed in the Town’s Capital Improvement Plan. The Plan recommends an annual report outlining progress on Mitigation Action Implementation. The annual report ensures that goals and objectives continue to address current and expected conditions. Please note that the Hazard Mitigation Plan is a preventative plan for natural disasters (i.e. residential lots prohibited within floodplain, required interconnectivity, etc.).

**ANNUAL REPORT**

The annual review shall ensure the following;

1. *Do Plan goals and objectives continue to address current and expected conditions?*

Yes, the goals and objectives continue to address current and expected conditions in the Town of Apex. The Unified Development Ordinance (UDO) and the 2045 Land Use Map include several of the Hazard Mitigation Plan action items to mitigate potential damage.

2. *Has the nature or magnitude of risks changed?*

Yes, as the Town of Apex grows there is more impervious surface. However, the Town has adopted stormwater measures that mitigate post-development stormwater runoff and continues to meet North Carolina state requirements as they are upgraded. In addition, the UDO does not allow residential lots and new non-residential structures within the floodplains. The UDO also regulates development within the ETJ.

3. *Are current resources sufficient and appropriate for Plan implementation?*

Yes, the Town of Apex continues to operate with sufficient resources to support the Plan implementation measures.



4. *Are there any implementation problems, (i.e., technical, political, legal) or coordination issues with other agencies?*

Currently, there are no implementation problems within the Town of Apex. Coordination issues with other agencies have improved with the adoption of the National Incident Management System (NIMS). The Fire and Police Departments annually perform several training exercises combined with other agencies to prepare for both man-made and natural disasters.

5. *Are implementation outcomes as expected?*

No, several action items were changed from completed to ongoing/completed as they are a component of daily actions taken by the Town of Apex.

**HAZARD MITIGATION PLAN MEMBER MEETING**

The Town of Apex Hazard Mitigation Plan members met on November 9, 2020 to review the Action Plan and discussed updates to Hazard Mitigation measures within each Department as follows:

Administration Department:

- The Town website was updated and now includes emergency preparedness instructions and tips. In addition, Facebook and other forms of social media are used for communication.

Fire Department:

- Modified several items to show that it is an ongoing item instead of completed item as the documents are always being updated and amended and staff will enforce these items on a daily basis.
- The Fire Department had several training exercises.
- Updated Public Safety Stations to be constructed and their status.

Police Department:

- Modified several items to show that it is an ongoing item instead of completed item as the documents are always being updated and amended and staff will enforce these items on a daily basis.
- Participated in the training exercises with Fire Department.
- Continued work with agencies from other municipalities.

General Emergency Services

- A site for Public Safety Station #6 has been selected and the site plan is in design.
- Continuing to work with Wake County and other municipalities regarding communication systems updates.

Information Technology Department:

- Updates and improvements to the Town’s communication abilities are on-going, including improvements to hardware and infrastructure (i.e. laptops, VPN, and fiber optic network).

Parks and Recreation Department:

- White Oak Creek Greenway has been marked as completed.
- Middle Creek, Beaver Creek Greenway and Apex West Greenways were added to the list and status and cost updated.
- Lighting warning signage costs were adjusted.

## STAFF REPORT

### 2020 Annual Hazard Mitigation Action Plan Update

December 15, 2020 Town Council Meeting



#### Planning and Community Development Department

- Modified several items to show that it is an ongoing action instead of completed action as documents are frequently being amended and staff will perform these actions on an as-needed or regular basis.
- Updated the implementation schedule for revising the UDO & Design and Development Manual to prioritize completion by the end of 2021.
- Worked with Floodplain Administrator in November 2020 to update the UDO to modernize Flood Damage Prevention Overlay District provisions.

#### Public Works & Transportation Department:

- Modified several items to show that it is an ongoing action instead of completed action as staff will perform these actions on an as-needed or regular basis.
- Updated projected costs & completion time frames for several road projects.

#### Water Resources Department:

- Modified several items to show that it is an ongoing action instead of completed action as staff will perform these actions on an as-needed or regular basis.
- The Floodplain Manager maintained Floodplain education credits.
- Public Works maps updated by GIS Specialist.
- Continue to remove bridges from floodways.

#### Action Plan Status

All action items listed as “on-going” are current as stated in the Hazard Mitigation Action Plan.

#### **STAFF RECOMMENDATION**

Staff recommends approval of the 2020 Hazard Mitigation Action Plan Annual Update.

#### **PLANNING BOARD RECOMMENDATION:**

The Planning Board will hear this item at their meeting on December 14, 2020. Staff will provide their recommendation at the Town Council meeting.

## 2020 Hazard Mitigation Action Plan Update

Action #	Description	Goal	Objective	Hazard(s) Addressed	Relative Priority	Lead Agency/ Department	Estimated Cost	Potential Funding Sources	Implementation Schedule	2020 Status	Status Comments/ Explanation
<b>Prevention</b>											
P-1	Revise and update the regulatory floodplain boundary, including flood studies.	2	2	Flood	Moderate	Public Works & Transportation (Floodplain Administrator)	Staff Time	Town Funds	Ongoing - Next 5 years	Carry Forward – On-going	Action revised.
P-2	Maintain an environmental committee of Town Council and citizen’s Environmental Advisory Board that meets regularly to discuss issues and recommend projects.	2	2	All Hazards	Moderate	Water Resources (Sustainability Coordinator)	Staff Time	Town Funds	Ongoing – In Process	Carry Forward – On-going	Action Revised
P-3	Encourage the use of Low Impact Development techniques.	4	2	Flood, Landslide, Drought, Hurricane, Extreme Heat	Low	Water Resources (Environmental Engineering Manager)	Staff Time	Town Funds	Ongoing - Next 5 years	Carry Forward – On-going	On-going activity
P-4	Use system development fees to help fund public projects.	3	2	Flood, Wildfire, Tornado, Severe Winter Storm, Severe Weather, Drought, Hurricane	Moderate	Water Resources (Director)	Unknown	Local Development Fees	3-5 years	Carry Forward – On-going	Action revised.
P-5	Update the UDO & Design and Development Manual to incorporate proper species selection and practices for planting and maintenance into the landscape ordinance.	4	1	Flood, Severe Winter Storm, Severe Weather, Drought, Hurricane	Moderate	Planning & Com. Dev. Dept.	Staff Time	Town Funds	2021	Carry Forward – In Progress	Action revised.
P-6	Incorporate GIS data and risk analysis into the development review process.	4	2	All	Moderate	Apex Fire Dept. & Planning & Com. Dev. Dept.	Staff Time	Town Funds	Ongoing - In Process	Carry Forward – On-going	Action revised.
P-7	Evaluate a Stormwater Utility to fund the Town’s Stormwater Program.	2	2	Flood	Moderate	Water Resources (Director)	\$150,000	Town Funds	2-3 years	Carry Forward – In Progress	Action revised.
P-8	Continue to use "Neighbors Helping Neighbors" program to help low income Apex Utility customers pay their utility bills.	3	2	Extreme Heat, Severe Winter Storm	Moderate	Finance Dept. & Western Wake Crisis Ministry	None	Local	Ongoing - Next 5 years	Carry Forward – On-going	On-going activity
P-9	Salt & brine local roads before Severe Winter Storm & plow after snow and ice fall.	3	2	Severe Winter Storm	Moderate	Public Works & Transportation	Max \$20,000	Town Funds	Ongoing - Next 5 years	Carry Forward – On-going	On-going activity
<b>Property Protection</b>											
PP-1	Enforce the Fire Prevention Code.	4	1	Wildfire, Hazardous Materials Incident	Moderate	Apex Fire Dept.	Staff Time	Town Funds	Ongoing - Next 5 years	Carry Forward – On-going	On-going activity
PP-2	Annually update the comprehensive occupancy pre-plan program with local data for use in risk analysis.	4	2	Flood, Wildfire, Hazardous Materials Incident, Radiological Emergency	Moderate	Apex Fire Dept.	Staff Time	Town Funds	Ongoing - Next 5 years	Carry Forward – On-going	Action revised.
PP-3	Restore streams to slow the speed of water and reduce erosion to prevent both private property loss and public infrastructure damage.	3	2	Flood	Moderate	Water Resources (Director)	Over \$500,000	Local & Federal	Ongoing - Next 5 years	Evaluating Funding Opportunities	On-going activity
<b>Natural Resource Protection</b>											
NRP-1	Middle Creek Greenway (Miramonte to Holly Springs).	3	2	Flood; Evacuation	Moderate	Apex Parks and Recreation	\$2,870,000	Town Funds	3-5 years	Carry Forward – In Progress	under construction
NRP-2	White Oak Creek Greenway.	3	2	Flood; Evacuation	Moderate	Apex Parks and Recreation	\$284,000	Town Funds	Complete	Complete	Completed
NRP-3	Beaver Creek Greenway (PHI, PHIA, & PHII)	3	2	Flood; Evacuation	Moderate	Apex Parks and Recreation	\$6,565,300	Bond, Federal and Town	1-2 years	Carry Forward – In Progress	ROW Cert, then NCDOT releasing for bid and construction
NRP-4	Apex West Greenway	3	2	Flood; Evacuation	Moderate	Apex Parks and Recreation	\$304,750	County and Town	1-2 years	Carry Forward – In Progress	USACOE permitting then Bid and Construction
NRP-5	During development review, ensure new development complies with floodplain development restrictions listed in UDO Section 6.2 Flood Damage Prevention Overlay District.	4	2	Flood	Moderate	Public Works & Transportation (Floodplain Administrator)	Staff Time	Town Funds	Ongoing - Next 5 years	Carry Forward – On-going	On-going activity
NRP-6	During development review, ensure new development complies with UDO stream buffer standards.	4	2	Flood	Moderate	Water Resources (Environmental Engineering Manager)	Staff Time	Town Funds	Ongoing - Next 5 years	Carry Forward – On-going	On-going activity
NRP-7	During development review, ensure SCMs are designed in accordance with State criteria to safely pass 100-year storm.	4	2	Flood	Moderate	Water Resources (Environmental Engineering Manager)	Staff Time	Town Funds	Ongoing - Next 5 years	Carry Forward – On-going	On-going activity

## 2020 Hazard Mitigation Action Plan Update

Action #	Description	Goal	Objective	Hazard(s) Addressed	Relative Priority	Lead Agency/ Department	Estimated Cost	Potential Funding Sources	Implementation Schedule	2020 Status	Status Comments/ Explanation
<b>Structural Projects</b>											
SP-1	Improve communications abilities for emergency response by building new fiber optic internet infrastructure and replacing current radio systems.	2	1	All	Moderate	Police Dept & Information Technology	\$915,000	Town Funds	3-5 years	Carry Forward – In Progress	on-going work
SP-2	Build Jessie Drive to connect TenTen Rd and NC-55 - provide greater connectivity, faster emergency response times, and faster & safer evacuation.	3	2	All	Moderate	Public Works & Transportation	\$21,000,000	Town Funds	3-5 years	Carry Forward – Not Started	
SP-3	Relocate Beaver Creek Sewer Line out of the creek.	3	2	Flood, Wildfire, Severe Winter Storm, Hurricane	Moderate	Water Resources (Utilities Engineering Manager)	\$1,500,000	Town Funds	3-5 years	Carry Forward – In Progress	Construction in process
SP-4	Finish the SW Peakway loop connector road - provide greater connectivity, faster emergency response times, and faster & safer evacuation.	3	2	All	High	Public Works & Transportation	\$25,000,000	Town Funds	More than 5 years	Carry Forward – In Progress	Action revised. Design work is in progress
SP-5	Finish SE Peakway Loop connector road - provide greater connectivity, faster emergency response times, and faster & safer evacuation.	3	2	All	High	Public Works & Transportation	\$20 million	Town Funds	More than 5 years	Carry Forward – In Progress	Action revised. Design work is in progress
<b>Emergency Services</b>											
ES-1	Construct Public Safety Station #6	3	2	All Hazards	Moderate	Apex Fire Dept.	\$7 million	Town Funds	2-3 years	New	Design work is in progress
ES-2	Construct Public Safety Station #7	3	2	All Hazards	Moderate	Apex Fire Dept.	\$7 million	Town Funds	More than 5 years	New	
ES-3	Relocate Fire Department Administration from its existing location because of the impacts of widening NC-55.	3	1	All Hazards	Moderate	Apex Fire Dept.	\$4,000,000	Town Funds	More than 5 years	New	
ES-4	Keep Town website updated with information about Shearon Harris Siren Testing.	1	2	Radiological Incident	Moderate	Apex Public Information Officer	Staff Time	Town Funds	Ongoing - Next 5 years	Carry Forward – In Progress	
<b>Public Education and Awareness</b>											
PEA-1	Town website and utility billing announcing National Preparedness Month (September) reminding citizens to have a plan and be prepared.	1	1	All	Moderate	Administration (Communications Officer)	Less than \$100,000	Town Funds	Ongoing - Next 5 years	Carry Forward – On-going	On-going activity to be implemented annually
PEA-2	Include Environment Education Station and classroom at Nature Park.	1	1	All	Moderate	Apex Parks and Recreation	\$1,200,000	Town Funds	3-5 years	Carry Forward – In Progress	New target completion date is 2022
PEA-3	Post warning signage at local parks for lightning.	1	1	Severe Weather	Moderate	Apex Parks and Recreation	\$15,000	Town Funds	3-5 years	Carry Forward – In Progress	New implementation schedule is 3-5 years
PEA-4	Hand out hazard educational materials at Apex festivals.	1	1	All	Moderate	Planning & Com. Dev. Dept. & Water Resources	Less than \$1,500	Town Funds	Ongoing - Next 5 years	Carry Forward – On-going	
PEA-5	Use Social Media to inform residents about local hazards.	1	1	All	Moderate	Apex Public Information Officer & Planning & Com. Dev. Dept.	Staff Time	Town Funds	Ongoing - Next 5 years	Carry Forward – On-going	



## TOWN OF APEX

POST OFFICE BOX 250  
APEX, NORTH CAROLINA 27502  
PHONE 919-249-3426

## NOTICE OF PUBLIC HEARINGS

### WAKE COUNTY MULTI-JURISDICTIONAL HAZARD MITIGATION PLAN

Notice is hereby given of public hearings before the Planning Board and Town Council of the Town of Apex for the purpose of soliciting comments on the following amendments to the Wake County Multi-Jurisdictional Hazard Mitigation Plan:

**Updates to the Town of Apex Action Plan based on current and proposed activities, inclusion of ongoing activities, and removal of completed projects.**

**Public Hearing Location:**

Apex Town Hall  
73 Hunter Street, Apex, North Carolina  
Council Chambers, 2<sup>nd</sup> Floor

All interested parties may appear at the public hearing and be heard with respect to the Wake County Multi-Jurisdictional Hazard Mitigation Plan. The current Wake County Multi-Jurisdictional Hazard Mitigation Plan can be viewed on the Town of Apex website at: <http://www.apexnc.org/224/Hazard-Mitigation-Plan>. For more information, please call the Planning Department at 919-249-3426.

**Planning Board Public Hearing Date and Time: December 14, 2020 4:30 PM**

If you would like to speak during the public hearing, you may sign-in ahead of time by emailing your name and address to [bonnie.brock@apexnc.org](mailto:bonnie.brock@apexnc.org). You may attend the meeting in person or view the meeting through the Town's YouTube livestream at: <https://www.youtube.com/c/townofapexgov>.

If you are unable to attend, you may provide comments no later than noon on Friday, December 11, 2020 by email ([public.hearing@apexnc.org](mailto:public.hearing@apexnc.org), 350-word limit) or voicemail (919-362-7300, 3-minute limit) according to the Remote Participation Policy at: <http://www.apexnc.org/DocumentCenter/View/31397/>. You must provide your name and address for the record. These comments will be read during the Planning Board meeting.

**Town Council Public Hearing Date and Time: December 15, 2020 6:00 PM**

You may attend the meeting in person or view the meeting through the Town's YouTube livestream at: <https://www.youtube.com/c/townofapexgov>.

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If the Council meeting is held with at least one member attending virtually, written comments on the subject of the public hearing may be submitted between publication of any required notice and 24 hours after the public hearing and the Council's vote will occur at the Council's next regularly scheduled meeting.

Dianne F. Khin, AICP  
Director of Planning and Community Development

Published Date: November 30, 2020 – December 15, 2020



## TOWN OF APEX

POST OFFICE BOX 250  
APEX, NORTH CAROLINA 27502  
PHONE 919-249-3426

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**Town Council Public Hearing Date and Time: December 15, 2020 6:00 PM**

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If the Council meeting is held with at least one member attending virtually, written comments on the subject of the public hearing may be submitted between publication of any required notice and 24 hours after the public hearing and the Council's vote will occur at the Council's next regularly scheduled meeting.

Dianne F. Khin, AICP

Director of Planning and Community Development

Published Date: November 30, 2020 – December 4, 2020

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# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: PUBLIC HEARING  
Meeting Date: December 15, 2020

## Item Details

Presenter(s): Amanda Bunce, Current Planning Manager  
Department(s): Planning and Community Development

### Requested Motion

Public Hearing and possible motion regarding various amendments to the Unified Development Ordinance.

### Approval Recommended?

The Planning and Community Development Department recommends approval. The Planning Board will hear these amendments at their December 14, 2020 meeting. Their recommendation will be presented at the Town Council meeting.

### Item Details

Summary of UDO Amendments:

Requested by the Planning Committee:

1. Amendments to Sec. 8.1.2.A *Resource Conservation Area, Establishment of RCA* in order to reduce the ratio of off-site RCA to on-site RCA and to amend the standards for the approval of off-site RCA.

Requested by Planning Staff:

2. Amendment to Sec. 1.2.2 *Authority to Regulate Zoning, Subdivision and Building Practices in ETJ* in order to remove the requirement for signs, signposts, or other markers to be installed at the Town's ETJ boundaries.
3. Amendments to Sec. 2.1.9.A *Apex Environmental Advisory Board, Powers and Duties* in order to revise the types of rezoning applications that must be reviewed by the Board prior to submittal.
4. Amendments to Sec. 4.3.2.I *Use Classifications, Public and Civic Uses, Government Services* and Sec. 4.4.2.G *Supplemental Standards, Public and Civic Uses, Government Services* in order to add EMS station and transit station to the definition of the Government Services use and to add supplemental standards for this use in certain zoning districts.

Requested by Water Resources Staff:

5. Amendments to Secs. 6.1.15 *Watershed Protection Overlay Districts, Civil Penalties* and 11.4.4 *Enforcement, Remedies and Penalties, Civil Penalties* in order to move standards for the assessment of civil penalties for violations of Sec. 6.1 *Watershed Protection Overlay Districts* from Sec. 11.4.4 to Sec. 6.1.15.

Attachments

- Staff Report
- Ordinance
- Legal Notice





Requested by Planning Committee:

1. Amendments to Sec. 8.1.2.A Resource Conservation Area, Establishment of RCA in order to reduce the ratio of off-site RCA to on-site RCA and to amend the standards for the approval of off-site RCA.

8.1.2 Resource Conservation Area

...

A) Establishment of RCA

- 1) *Off-site RCA.* RCA may be established outside of the limits of the development site provided that all of the following criteria are met by the off-site RCA:
  - a) The area ~~must~~ **shall** include one or more of the RCA categories listed in ~~Sec. 8.1.2.B.1~~ **below**:
    - (i) **Undisturbed area within Zone 2 and/or Zone 3 of riparian buffers as defined in Sec. 6.1.11 Riparian Buffers.**
    - (ii) **Undisturbed steep slopes equal to or greater than 3:1 (30%) and other erosion prevention and control measures, including, but not limited to, protection of natural drainage channels.**
    - (iii) **Preservation of undisturbed forested areas (including trees less than 18" caliper in size), or individual specimen (hardwood) trees 18" caliper and larger.**
    - (iv) **Undisturbed wildlife and plant habitat areas.**
    - (v) **Preservation of other significant site elements such as, but not limited to, historic and cultural sites and structures, scenic views, farm ponds, rock outcroppings, and cemeteries.**
    - (vi) **Undisturbed, non-vegetated land that meets the minimal size standards for RCA and that is planted to achieve a diversified indigenous plant population including a large canopy tree layer and a small understory tree layer by one of the following methods:**
      - (a) **Within 50 feet of a property line or public right-of-way, the large canopy layer must consist of large-type native deciduous and large-type native evergreen trees and must represent at least 75% of the planted area; the understory tree layer must represent the remaining 25% of the planted area. Planted RCA must be completely mulched with triple-shredded**

hardwood mulch at least two (2) inches, but no more than three (3) inches thick. Plants must meet or exceed the following minimum container sizes and quantities (each unit represents a planted area of 200 square feet):

- (1) One (1) large type deciduous tree: 15-gallon and at least 5 feet tall
- (2) Two (2) large type evergreen trees: 5-gallon and at least 3 feet tall
- (3) Two (2) small understory trees: 5-gallon and at least 3-feet tall

(b) For areas more than 50 feet from a property line or public right-of-way, a reforestation plan prepared by a SAF (Society of American Foresters) Certified Forester shall be approved by the Planning Director or designee. The plan shall provide between 400-700 bare root seedlings per acre that includes a mix of deciduous and evergreen tree species. The number of seedlings per acre shall be based on the existing nearby tree canopy as well as the slope, size, and width of the area to be planted. The seedlings shall be planted during the months of October to December.

b) The area ~~must~~ shall be located within the Town of Apex's corporate limits or extra-territorial jurisdiction.

c) The area ~~must~~ shall meet one (1) of the following criteria: ~~be~~

- 1) ~~↓~~ Located directly adjacent to existing RCA, existing public parks, existing conservation easements, or other publicly held land with environmental preservation or wildlife habitat preservation as its primary function (such as wetland mitigation); ~~or~~
- 2) ~~be a~~ A minimum size of two (2) acres and a minimum width of 30 feet; or
- 3) Adjacent to a control of access highway with an average width of at least 30 feet.

d) The area shall not be located within an existing public or private easement or within a future transportation or utility corridor as identified on the Thoroughfare and Collector Street Plan map, Master Sewer Plan, and Water System Master Plan.

~~d)e)~~ ~~The provision of o~~ Off-site RCA shall be provided at a rate of 1.5 times equal to the on-site RCA requirement. If the off-site RCA is located adjacent to an existing or planned public park facility and the land is

**deeded to the Town of Apex, the rate of off-site RCA shall be reduced to 0.75 times the on-site RCA. However, In no case shall** the on-site RCA cannot be reduced more than 50% through the provision of off-site RCA.

e)f) **Prior to approval of the Master Subdivision Final Plat or Site Plan Final Plat for the development, the off-site RCA must either be 1) deeded to the Town of Apex or another qualified land management agency, such as but not limited to the Triangle Land Conservancy, or 2) recorded as a conservation easement in favor of the State of North Carolina or another qualified land management agency.**

...

**Requested by Planning Staff:**

**2. Amendment to Sec. 1.2.2 Authority to Regulate Zoning, Subdivision and Building Practices in ETJ in order to remove the requirement for signs, signposts, or other markers to be installed at the Town's ETJ boundaries.**

1.2.2 Authority to Regulate Zoning, Subdivision And Building Practices in ETJ  
Pursuant to the North Carolina General Statutes, the Town Council establishes the boundaries of the Town's extraterritorial jurisdiction to enforce the following regulations: zoning ordinance; subdivision regulations; North Carolina State Building Code; minimum housing standards code; and ordinances creating the Town's Planning Board, Planning and Community Development Department and Building Inspections and Permitting Department. The boundaries for the Town's extraterritorial enforcement area (hereinafter "ETJ") are delineated on the map entitled "Corporate Limits and Extraterritorial Jurisdiction Town of Apex, North Carolina," which is incorporated herein by reference. A copy of this map and this subsection shall be on record in the office of the Town Clerk for inspection by the general public during normal business hours. ~~The Town Clerk shall cause signs, signposts, or similarly readily identifiable markers to be installed at all points of intersection of the ETJ boundary along appropriate roads, streets, highways and railroads.~~

**3. Amendments to Sec. 2.1.9.A Apex Environmental Advisory Board, Powers and Duties in order to revise the types of rezoning applications that must be reviewed by the Board prior to submittal.**

2.1.9 Apex Environmental Advisory Board

A) Powers and Duties

The Environmental Advisory Board shall have the following powers and duties under the provisions of this Ordinance:

1) Advise the Environmental Committee of the Apex Town Council regarding suggested changes to the Unified Development Ordinance related to the natural environment and the Planning Committee of the Apex Town Council regarding

suggested changes to the Unified Development Ordinance related to the impacts of development upon the natural environment.

- 2) Review, with applicants, during the pre-application phase of a proposal, all **certain** requests for conditional rezoning and recommend zoning conditions to the applicant and Town Council that will mitigate anticipated impact to the natural environment as a result of the project under consideration. **The following conditional rezoning requests shall be exempt from review by this Board:**

- a) **Rezoning to amend zoning conditions which have no environmental impact on a site including but not limited to revisions to architectural standards, building height, setbacks, and uses;**
- b) **Rezoning to resolve nonconformities;**
- c) **Rezoning of one (1) acre or less; and**
- d) **Rezoning within the Small Town Character Overlay District.**

4. Amendments to Sec. 4.3.2.I *Use Classifications, Public and Civic Uses, Government Service* and Sec. 4.4.2.G *Supplemental Standards, Public and Civic Uses, Government Service* in order to add EMS station and transit station to the definition of the Government Services use and to add supplemental standards for this use in certain zoning districts.

4.3.2 *Use Classifications, Public and Civic Uses*

...

I) *Government Service*

Buildings or facilities owned or operated by a government entity that provide services for the public, excluding utility and recreational services. Typical uses include administrative offices of government agencies, post offices, public libraries, and police and fire stations, **EMS stations, and transit stations.**

...

4.4.2 *Supplemental Standards, Public and Civic Uses*

...

G) *Government Service*

**1)** Government service in the B2 Downtown Business District shall be freestanding.

**2)** **Outdoor storage for such use shall comply with the standards for Industrial Uses found in Sec. 4.1.2 *Outside Storage and Sales.***

**3)** **A minimum 40' Type A buffer with an opaque fence at least six (6) feet in height shall be provided along all outdoor storage areas adjacent to a conforming residential use or vacant land within a Residential zoning district.**

...

**Requested by Water Resources Staff:**

5. **Amendments to Sec. 6.1.15 *Watershed Protection Overlay Districts, Civil Penalties* and 11.4.4 *Enforcement, Remedies and Penalties, Civil Penalties* in order to move standards for the assessment of civil penalties for violations of Sec. 6.1 *Watershed Protection Overlay Districts* from Sec. 11.4.4 to Sec. 6.1.15.**

**6.1.15 Civil Penalties**

**A) ~~Notification~~ Notice of Violation**

When any subdivision, development, and/or land use is found to be in violation of any provision of Sec. 6.1 *Watershed Protection Overlay Districts*, the person responsible for the violation shall be notified by the Environmental Engineering Manager, or designee. Such notification shall take the following form:

- 1) It shall be made in writing.
- 2) It shall indicate the nature of the violation.
- 3) It shall order any of the following that is applicable:
  - a) The discontinuance of the illegal use of land, buildings or structures,
  - b) The removal of illegal buildings or structures,
  - c) The removal of additions, alterations, or structural changes to illegal buildings or structures,
  - d) The discontinuance of any illegal work being done, or
  - e) Any other action, **including issuance of a stop work order**, that is deemed necessary at that time to correct the violation.

**Any person who is served a notice of violation pursuant to this Section may appeal that determination to the Board of Adjustment within 30 days of the date of the receipt of the notice of violation. If a person who receives a notice of violation does not appeal the determination within the time established in this Section, then that person may not later appeal to the Board of Adjustment the subsequent imposition of any remedy or penalty provided in this article.**

**B) Civil Penalties**

Following **Any person who, after being issued a notification notice** of a violation of Sec. 6.1 *Watershed Protection Overlay Districts*, **does not comply with this Ordinance within the time period set forth in the notice of violation shall be subject to** civil penalties ~~may be imposed by the Water Resources Director as set forth in this Section.~~ ~~on the person responsible for the violation.~~ Civil penalties will be imposed in accordance with Sec. 11.4.4 *Civil Penalties*.

**In determining the amount of the penalty, the Water Resources Director or designee shall consider:**

- 1) **The degree and extent of harm caused by the violation.**
- 2) **The cost of rectifying the damage including Town staff time.**

- 3) The duration of the violation.
- 4) The amount of money the violator saved by non-compliance.
- 5) Whether the violation was committed willfully.
- 6) Prior record of the violator in complying or failing to comply with requirements. (Note: For first time offenders, upon correction of the violation, the Water Resources Director may impose a reduction of the assessed civil penalty.)

A civil penalty of up to \$100 per violation per day shall be assessed. If civil penalties are to be assessed, a notice of civil penalty assessment will be issued containing a statement of the civil penalties to be assessed, the time of their accrual, and the time within which they must be paid or be subject to collection. Penalties are due within 30 days of receipt of the notice of civil penalty assessment. Civil penalties collected pursuant to this Ordinance shall be used or disbursed as directed by law.

**C) Continuing Violation**

The notice of violation shall provide at least 10 days but not more than 30 days for the violation to be corrected, based upon the type and degree of the violation. If a violation is not corrected within the amount of time prescribed, then civil penalties accrue starting on the day after the end of the time period provided in the notice of violation and accrue through and until the violation is corrected. A person receiving a notice of civil penalty assessment shall pay all accrued civil penalties to the Town within 30 days of receipt of the notice of civil penalty assessment. If the person fails to pay the accrued civil penalties within 30 days of receipt of the notice of civil penalty assessment, then the civil penalties, including all further accruing penalties for a continuing violation, shall be collectible for the Town through a civil action in the nature of debt. Each day that any violation continues shall constitute a separate violation for the purpose of assessing civil penalties. A notice of a violation need only be given once for a continuing violation. The Environmental Engineering Manager, Water Resources Director, or their respective designees, may deliver a notice of violation or civil penalty assessment personally, by the Town Police Department, by certified or registered mail, return receipt requested, by the Wake County Sheriff's Department, or by any means authorized for the service of documents by Rule 4 of the North Carolina Rules of Civil Procedure.

**11.4.4 Civil Penalties**

Except as provided in Sec. 6.1.15, the following civil penalties may be imposed on a person who violates this Ordinance:

...

**PLANNING STAFF RECOMMENDATION:**

Planning staff recommends approval of the proposed UDO amendments. The Environmental Advisory Board reviewed Item 2 at their November 19, 2020 meeting and supported those amendments as presented.

**PLANNING BOARD RECOMMENDATION:**

The Planning Board will hear these amendments at their December 14, 2020 meeting. Staff will provide their recommendation at the Town Council meeting.



## TOWN OF APEX

POST OFFICE BOX 250  
APEX, NORTH CAROLINA 27502  
PHONE 919-249-3426

## PUBLIC NOTIFICATION OF PUBLIC HEARING

### AMENDMENTS TO THE UNIFIED DEVELOPMENT ORDINANCE (UDO)

Notice is hereby given of a public hearing before the Town Council of the Town of Apex for the purpose of soliciting comments relative to the following amendment(s) to the Unified Development Ordinance:

#### Requested by Planning Committee:

1. Amendments to Sec. 8.1.2.A *Resource Conservation Area, Establishment of RCA* in order to reduce the ratio of off-site RCA to on-site RCA and to amend the standards for the approval of off-site RCA.

#### Requested by Planning Staff:

2. Amendment to Sec. 1.2.2 *Authority to Regulate Zoning, Subdivision and Building Practices in ETJ* in order to remove the requirement for signs, signposts, or other markers to be installed at the Town's ETJ boundaries.
3. Amendments to Sec. 2.1.9.A *Apex Environmental Advisory Board, Powers and Duties* in order to revise the types of rezoning applications that must be reviewed by the Board prior to submittal.
4. Amendments to Sec. 4.3.2.I *Use Classifications, Public and Civic Uses, Government Services* and Sec. 4.4.2.G *Supplemental Standards, Public and Civic Uses, Government Services* in order to add EMS station and transit station to the definition of the Government Services use and to add supplemental standards for this use in certain zoning districts.

#### Requested by Water Resources Staff:

5. Amendments to Secs. 6.1.15 *Watershed Protection Overlay Districts, Civil Penalties* and 11.4.4 *Enforcement, Remedies and Penalties, Civil Penalties* in order to move standards for the assessment of civil penalties for violations of Sec. 6.1 *Watershed Protection Overlay Districts* from Sec. 11.4.4 to Sec. 6.1.15.

**Public Hearing Location:** Apex Town Hall  
Council Chambers, 2<sup>nd</sup> Floor  
73 Hunter Street, Apex, North Carolina

#### Town Council Public Hearing Date and Time: December 15, 2020 6:00 PM

You may attend the meeting in person or view the meeting through the Town's YouTube livestream at: <https://www.youtube.com/c/townofapexgov>.

If you are unable to attend, you may share comments by noon on Monday, December 14, 2020, following instructions in the [Remote Participation policy](#). The policy includes options to provide comments by email ([public.hearing@apexnc.org](mailto:public.hearing@apexnc.org), 350-word limit) or voicemail (919-362-7300, 3-minute limit). These comments will be read during the Town Council meeting.

If the Council meeting is held with at least one member attending virtually, written comments on the subject of the public hearing may be submitted between publication of any required notice and 24 hours after the public hearing and the Council's vote will occur at the Council's next regularly scheduled meeting.

The UDO can be accessed online at: <http://www.apexnc.org/233>.

Dianne F. Khin, AICP  
Director of Planning and Community Development



## TOWN OF APEX

POST OFFICE BOX 250  
APEX, NORTH CAROLINA 27502  
PHONE 919-249-3426

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2. Amendment to Sec. 1.2.2 *Authority to Regulate Zoning, Subdivision and Building Practices in ETJ* in order to remove the requirement for signs, signposts, or other markers to be installed at the Town's ETJ boundaries.
3. Amendments to Sec. 2.1.9.A *Apex Environmental Advisory Board, Powers and Duties* in order to revise the types of rezoning applications that must be reviewed by the Board prior to submittal.
4. Amendments to Sec. 4.3.2.1 *Use Classifications, Public and Civic Uses, Government Services* and Sec. 4.4.2.G *Supplemental Standards, Public and Civic Uses, Government Services* in order to add EMS station and transit station to the definition of the Government Services use and to add supplemental standards for this use in certain zoning districts.

#### Requested by Water Resources Staff:

5. Amendments to Secs. 6.1.15 *Watershed Protection Overlay Districts, Civil Penalties* and 11.4.4 *Enforcement, Remedies and Penalties, Civil Penalties* in order to move standards for the assessment of civil penalties for violations of Sec. 6.1 *Watershed Protection Overlay Districts* from Sec. 11.4.4 to Sec. 6.1.15.

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The UDO can be accessed online at: <http://www.apexnc.org/233>.

Dianna F. Khin, AICP

and Community Development

Published Dates: November 25-December 15, 2020

AN ORDINANCE TO AMEND CERTAIN SECTIONS OF THE UNIFIED DEVELOPMENT ORDINANCE

BE IT ORDAINED by the Town Council of the Town of Apex as follows:

**Section 1.** Section 8.1.2.A of the Unified Development Ordinance is amended to read as follows with additions shown as bold underlined text and deletions shown as struck-through text:

8.1.2 Resource Conservation Area

...

A) Establishment of RCA

1) *Off-site RCA.* RCA may be established outside of the limits of the development site provided that all of the following criteria are met by the off-site RCA:

a) The area ~~must~~ **shall** include one or more of the RCA categories listed in ~~Sec. 8.1.2.B.1~~ **below:**

- (i) **Undisturbed area within Zone 2 and/or Zone 3 of riparian buffers as defined in Sec. 6.1.11 Riparian Buffers.**
- (ii) **Undisturbed steep slopes equal to or greater than 3:1 (30%) and other erosion prevention and control measures, including, but not limited to, protection of natural drainage channels.**
- (iii) **Preservation of undisturbed forested areas (including trees less than 18" caliper in size), or individual specimen (hardwood) trees 18" caliper and larger.**
- (iv) **Undisturbed wildlife and plant habitat areas.**
- (v) **Preservation of other significant site elements such as, but not limited to, historic and cultural sites and structures, scenic views, farm ponds, rock outcroppings, and cemeteries.**
- (vi) **Undisturbed, non-vegetated land that meets the minimal size standards for RCA and that is planted to achieve a diversified indigenous plant population including a large canopy tree layer and a small understory tree layer by one of the following methods:**
  - (a) **Within 50 feet of a property line or public right-of-way, the large canopy layer must consist of large-type native deciduous and large-type native evergreen trees and must represent at least 75% of the planted area; the understory tree layer must represent the remaining 25% of the planted area. Planted RCA must be completely mulched with triple-shredded**

hardwood mulch at least two (2) inches, but no more than three (3) inches thick. Plants must meet or exceed the following minimum container sizes and quantities (each unit represents a planted area of 200 square feet):

- (1) One (1) large type deciduous tree: 15-gallon and at least 5 feet tall
- (2) Two (2) large type evergreen trees: 5-gallon and at least 3 feet tall
- (3) Two (2) small understory trees: 5-gallon and at least 3-feet tall

**(b) For areas more than 50 feet from a property line or public right-of-way, a reforestation plan prepared by a SAF (Society of American Foresters) Certified Forester shall be approved by the Planning Director or designee. The plan shall provide between 400-700 bare root seedlings per acre that includes a mix of deciduous and evergreen tree species. The number of seedlings per acre shall be based on the existing nearby tree canopy as well as the slope, size, and width of the area to be planted. The seedlings shall be planted during the months of October to December.**

b) The area ~~must~~ shall be located within the Town of Apex's corporate limits or extra-territorial jurisdiction.

c) The area ~~must~~ shall meet one (1) of the following criteria: be

- 1) Located directly adjacent to existing RCA, existing public parks, existing conservation easements, or other publicly held land with environmental preservation or wildlife habitat preservation as its primary function (such as wetland mitigation); ~~or~~
- 2) be a A minimum size of two (2) acres and a minimum width of 30 feet; or
- 3) Adjacent to a control of access highway with an average width of at least 30 feet.

**d) The area shall not be located within an existing public or private easement or within a future transportation or utility corridor as identified on the Thoroughfare and Collector Street Plan map, Master Sewer Plan, and Water System Master Plan.**

**d)e) The provision of e) Off-site RCA shall be provided at a rate of 1.5 times equal to the on-site RCA requirement. If the off-site RCA is located**

adjacent to an existing or planned public park facility and the land is deeded to the Town of Apex, the rate of off-site RCA shall be reduced to 0.75 times the on-site RCA. However, In no case shall the on-site RCA ~~cannot~~ be reduced more than 50% through the provision of off-site RCA.

e)f) Prior to approval of the Master Subdivision Final Plat or Site Plan Final Plat for the development, ¶the off-site RCA must either be 1) deeded to the Town of Apex or another qualified land management agency, such as but not limited to the Triangle Land Conservancy, or 2) recorded as a conservation easement in favor of the State of North Carolina or another qualified land management agency.

...

**Section 2. Section 1.2.2 of the Unified Development Ordinance is amended to read as follows with additions shown as bold underlined text and deletions shown as struck-through text:**

1.2.2 Authority to Regulate Zoning, Subdivision And Building Practices in ETJ  
Pursuant to the North Carolina General Statutes, the Town Council establishes the boundaries of the Town’s extraterritorial jurisdiction to enforce the following regulations: zoning ordinance; subdivision regulations; North Carolina State Building Code; minimum housing standards code; and ordinances creating the Town’s Planning Board, Planning and Community Development Department and Building Inspections and Permitting Department. The boundaries for the Town’s extraterritorial enforcement area (hereinafter “ETJ”) are delineated on the map entitled “Corporate Limits and Extraterritorial Jurisdiction Town of Apex, North Carolina,” which is incorporated herein by reference. A copy of this map and this subsection shall be on record in the office of the Town Clerk for inspection by the general public during normal business hours. ~~The Town Clerk shall cause signs, signposts, or similarly readily identifiable markers to be installed at all points of intersection of the ETJ boundary along appropriate roads, streets, highways and railroads.~~

**Section 3. Section 2.1.9.A of the Unified Development Ordinance is amended to read as follows with additions shown as bold underlined text and deletions shown as struck-through text:**

2.1.9 Apex Environmental Advisory Board

A) Powers and Duties

The Environmental Advisory Board shall have the following powers and duties under the provisions of this Ordinance:

1) Advise the Environmental Committee of the Apex Town Council regarding suggested changes to the Unified Development Ordinance related to the natural environment and the Planning Committee of the Apex Town Council regarding suggested changes to the Unified Development Ordinance related to the impacts of development upon the natural environment.

- 2) Review, with applicants, during the pre-application phase of a proposal, all **certain** requests for conditional rezoning and recommend zoning conditions to the applicant and Town Council that will mitigate anticipated impact to the natural environment as a result of the project under consideration. **The following conditional rezoning requests shall be exempt from review by this Board:**
- a) **Rezoning to amend zoning conditions which have no environmental impact on a site including but not limited to revisions to architectural standards, building height, setbacks, and uses;**
  - b) **Rezoning to resolve nonconformities;**
  - c) **Rezoning of one (1) acre or less; and**
  - d) **Rezoning within the Small Town Character Overlay District.**

**Section 4. Sections 4.3.2.I and 4.4.2.G of the Unified Development Ordinance are amended to read as follows with additions shown as bold underlined text and deletions shown as struck-through text:**

4.3.2 *Use Classifications, Public and Civic Uses*

...

l) *Government Service*

Buildings or facilities owned or operated by a government entity that provide services for the public, excluding utility and recreational services. Typical uses include administrative offices of government agencies, post offices, public libraries, and police and fire stations, **EMS stations, and transit stations.**

...

4.4.2 *Supplemental Standards, Public and Civic Uses*

...

G) *Government Service*

**1)** Government service in the B2 Downtown Business District shall be freestanding.

**2)** **Outdoor storage for such use shall comply with the standards for Industrial Uses found in Sec. 4.1.2 Outside Storage and Sales.**

**3)** **A minimum 40' Type A buffer with an opaque fence at least six (6) feet in height shall be provided along all outdoor storage areas adjacent to a conforming residential use or vacant land within a Residential zoning district.**

...

Section 5. Sections 6.1.15 and 11.4.4 of the Unified Development Ordinance are amended to read as follows with additions shown as bold underlined text and deletions shown as struck-through text:

#### 6.1.15 Civil Penalties

A) **Notification Notice of Violation**

When any subdivision, development, and/or land use is found to be in violation of any provision of Sec. 6.1 *Watershed Protection Overlay Districts*, the person responsible for the violation shall be notified by the Environmental Engineering Manager, **or designee**. Such notification shall take the following form:

- 1) It shall be made in writing.
- 2) It shall indicate the nature of the violation.
- 3) It shall order any of the following that is applicable:
  - a) The discontinuance of the illegal use of land, buildings or structures,
  - b) The removal of illegal buildings or structures,
  - c) The removal of additions, alterations, or structural changes to illegal buildings or structures,
  - d) The discontinuance of any illegal work being done, or
  - e) Any other action, **including issuance of a stop work order**, that is deemed necessary at that time to correct the violation.

**Any person who is served a notice of violation pursuant to this Section may appeal that determination to the Board of Adjustment within 30 days of the date of the receipt of the notice of violation. If a person who receives a notice of violation does not appeal the determination within the time established in this Section, then that person may not later appeal to the Board of Adjustment the subsequent imposition of any remedy or penalty provided in this article.**

B) **Civil Penalties**

Following **Any person who, after being issued a notification notice** of a violation of Sec. 6.1 *Watershed Protection Overlay Districts*, **does not comply with this Ordinance within the time period set forth in the notice of violation shall be subject to** civil penalties may be imposed by the Water Resources Director **as set forth in this Section**. ~~on the person responsible for the violation. Civil penalties will be imposed in accordance with Sec. 11.4.4 Civil Penalties.~~

**In determining the amount of the penalty, the Water Resources Director or designee shall consider:**

- 1) The degree and extent of harm caused by the violation.
- 2) The cost of rectifying the damage including Town staff time.
- 3) The duration of the violation.
- 4) The amount of money the violator saved by non-compliance.
- 5) Whether the violation was committed willfully.
- 6) Prior record of the violator in complying or failing to comply with requirements. (Note: For first time offenders, upon correction of the violation, the Water Resources Director may impose a reduction of the assessed civil penalty.)

A civil penalty of up to \$100 per violation per day shall be assessed. If civil penalties are to be assessed, a notice of civil penalty assessment will be issued containing a statement of the civil penalties to be assessed, the time of their accrual, and the time within which they must be paid or be subject to collection. Penalties are due within 30 days of receipt of the notice of civil penalty assessment. Civil penalties collected pursuant to this Ordinance shall be used or disbursed as directed by law.

**C) Continuing Violation**

The notice of violation shall provide at least 10 days but not more than 30 days for the violation to be corrected, based upon the type and degree of the violation. If a violation is not corrected within the amount of time prescribed, then civil penalties accrue starting on the day after the end of the time period provided in the notice of violation and accrue through and until the violation is corrected. A person receiving a notice of civil penalty assessment shall pay all accrued civil penalties to the Town within 30 days of receipt of the notice of civil penalty assessment. If the person fails to pay the accrued civil penalties within 30 days of receipt of the notice of civil penalty assessment, then the civil penalties, including all further accruing penalties for a continuing violation, shall be collectible for the Town through a civil action in the nature of debt. Each day that any violation continues shall constitute a separate violation for the purpose of assessing civil penalties. A notice of a violation need only be given once for a continuing violation. The Environmental Engineering Manager, Water Resources Director, or their respective designees, may deliver a notice of violation or civil penalty assessment personally, by the Town Police Department, by certified or registered mail, return receipt requested, by the Wake County Sheriff's Department, or by any means authorized for the service of documents by Rule 4 of the North Carolina Rules of Civil Procedure.

**11.4.4 Civil Penalties**

Except as provided in Sec. 6.1.15, the following civil penalties may be imposed on a person who violates this Ordinance:

...

**Section 6.** The amendments in Section 4 shall not apply to projects for which an application for development approval has been submitted before the effective date of this ordinance.

**Section 7.** The Planning Director and/or Town Manager are hereby authorized to renumber, revise formatting, correct typographic errors, to verify and correct cross references, indexes and diagrams as necessary to codify, publish, and/or accomplish the provisions of this ordinance or future amendments as long as doing so does not alter the terms of this ordinance.

**Section 8.** All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed. If any section, paragraph, subdivision, clause or provision of this ordinance shall be adjudged invalid, such adjudication shall apply only to such section, paragraph, subdivision, clause or provision so adjudged and the remainder of the ordinance shall be deemed valid and effective.

**Section 8.** The ordinance shall be effective upon enactment on the \_\_\_\_\_ day of December 2020.

Introduced by Council Member \_\_\_\_\_

Seconded by Council Member \_\_\_\_\_

Attest:

TOWN OF APEX

\_\_\_\_\_  
Donna Hosch, MMC, NCCMC  
Town Clerk

\_\_\_\_\_  
Jacques K. Gilbert  
Mayor

Approved As To Form:

\_\_\_\_\_  
Laurie L. Hohe  
Town Attorney

# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: OLD BUSINESS  
Meeting Date: December 15, 2020

## Item Details

Presenter(s): Vance Holloman, Finance Officer  
Department(s): Finance

### Requested Motion

Discussion and possible motion to adopt Temporary Ordinance Modifications extending the current suspension of utility disconnections and application of penalties and fees for unpaid utility balances

### Approval Recommended?

### Item Details

At their September 12, 2020 meeting, the Town Council passed a resolution to continue the suspension of utility disconnections for non-payment and the application of late fees and penalties through December 31, 2020. Acknowledging that the current pandemic has made it difficult for some of our customers to pay their entire bill, the Council wanted to ensure our customers did not have service disconnected due to their inability to pay.

As of the end of November, 428 customers have asked for a payment plan. As of November 30, we had 2,083 customers with balances that would make them subject to disconnection with a total of \$1,490,082 in past due utility bills.

### Attachments

- Temporary Ordinance Modification



ORDINANCE NO. 2020-1215-39  
AN ORDINANCE TEMPORARILY SUSPENDING TOWN CODE  
SECTIONS 12-37 through 12-39

BE IT ORDAINED by the Town Council of the Town of Apex as follows:

Section 1. Under the authority of N.C.G.S. § 160A-314(b), Sections 12-37 through 12-39 of the Apex Town Code of Ordinances is temporarily suspended through \_\_\_\_\_, 2020.

Section 2. The following utility customer fees designated on the Town of Apex Fee Schedule are suspended through \_\_\_\_\_ 2020:

- a. Non-Payment Service Fee
- b. Late Fee
- c. Reconnect Disconnected Water Fee

Section 3. The ordinance shall be effective upon enactment.

This the 15th day of December, 2020.

Introduced by Councilmember \_\_\_\_\_

Seconded by Councilmember \_\_\_\_\_

Attest:

TOWN OF APEX

\_\_\_\_\_  
Donna B. Hosch, MMC, NCCMC  
Town Clerk

\_\_\_\_\_  
Jacques K. Gilbert  
Mayor

Approved As To Form:

\_\_\_\_\_  
Laurie L. Hohe  
Town Attorney

# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: NEW BUSINESS  
Meeting Date: December 15, 2020

## Item Details

Presenter(s): Shawn Purvis, Assistant Town Manager  
Department(s): Administration

### Requested Motion

Possible motion to approve general Title VI Nondiscrimination Policy and associated grievance procedures

### Approval Recommended?

Yes

### Item Details

The Title VI Policy Statement and grievance procedure are compliance requirements with NCDOT to receive state and federal transportation funds. To date, transportation projects included the required language in contracts, but the Town did not adopt a policy statement or establish a grievance procedure. The policy statement, grievance procedure, and associated forms will allow us to meet the requirements. The Town Manager must also appoint a Title VI coordinator to administer the process. Until that person is appointed, the Town Manager will serve as the Title VI coordinator. We are also reviewing other policies such as equal employment, purchasing, accessibility, programming, and housing to enhance and ensure our commitment to equity and inclusion in the Town and community.

### Attachments

- Title VI Policy Statement
- Discrimination Grievance Procedure
- Discrimination Complaint Form
- Complaint Consent Release Procedure





## **Town of Apex Title VI Nondiscrimination Policy Statement**

It is the policy of the Town of Apex to ensure that no person shall, on the grounds of race, color, national origin, limited English language proficiency, income level, sex, pregnancy, sexual orientation, gender identity or expression, age, National Guard or veteran status, or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any Town of Apex program or activity, including, where applicable, religion, as provided by Title VI of the Civil Rights Act of 1964 and other pertinent nondiscrimination authorities.

The following practices are hereby prohibited throughout the Town of Apex in compliance with Title VI and related requirements:

- Denying an individual any standard service, financial aid, or other program benefit without just cause;
- Providing any service, financial aid, or other benefit to a person that is different in quality or quantity from that provided to others under the same program;
- Subjecting a person to segregation or separate treatment in any Town facility or during any Town program;
- Administering Town services through contractual relationships in a manner inconsistent with non-discrimination laws, goals, and objectives;
- Failing to provide equal opportunity to all vendors and contractors in the Town's procurement of goods and services, including making good faith efforts to recruit minority and women owned business enterprises for purchasing and contracting opportunities;
- Enforcing different standards or requirements for admission, enrollment, or participation in any Town program or citizen engagement opportunity, including, but not limited to, public hearings, citizen advisory boards, and citizens' academies;
- Committing acts of intimidation or retaliation, including threatening or coercing any individual because the individual has cited protection by a non-discrimination law or made a complaint or participated in any manner in an investigation, proceeding, or hearing;
- Discriminating in any way against an individual during the hiring process or employment period for any Town position.



## Town of Apex External Discrimination Complaint Instructions

### INTRODUCTION

The Town of Apex is responsible for processing discrimination complaints filed under Title VI of the Civil Rights Act of 1964 and related nondiscrimination laws. Participants and beneficiaries of programs and activities administered or funded by the Town of Apex who feel they have been discriminated against based on race, color, national origin, limited English language proficiency, income-level, sex, pregnancy, sexual orientation, gender identity or expression, age, National Guard or veteran status, or disability have a right to file a complaint. Complaints of alleged discrimination will be investigated by the appropriate authority, such as the External Civil Rights Compliance Office (ECR), a federal agency.

Note: Religion is only covered under NCDOT's Right of Way program (Fair Housing) and programs funded by the Federal Aviation Administration (FAA) or Federal Transit Administration (FTA).

### FILING OF COMPLAINTS

1. **Applicability** – These complaint procedures apply to Town of Apex programs, activities, and services. Note: Title VI does not include internal complaints related to Equal Employment Opportunity (EEO).
2. **Eligibility** – Any person or class of persons who believes they have been subjected to discrimination based on race, color, national origin, limited English language proficiency, income level, sex, pregnancy, sexual orientation, gender identity or expression, age, National Guard or veteran status, or disability (and religion, where applicable) may file a written complaint with the Town of Apex's Title VI Coordinator. The law also prohibits intimidation or retaliation against anyone who files a complaint.
3. **Filing Options and Time Limits** – Complaints may be filed by the affected individual(s) or a representative and should be filed no later than 180 calendar days after the following:
  - The date of the alleged act of discrimination; or
  - The date when the person(s) became aware of the alleged discrimination; or
  - Where there has been a continuing course of conduct, the date on which that conduct was discontinued or the latest or the latest instance of the conduct.

Title VI and related discrimination complaints may be submitted to the following entities:

- **Town of Apex**, Title VI Program Coordinator, P.O. Box 250 Apex, NC 27502, 919-249-3400
- **North Carolina Department of Transportation**, Office of Civil Rights, External Civil Rights, 1511 Mail Service Center, Raleigh, NC 27699-1511, 919-508-1808 or toll-free 800-522-0453.
- **US Department of Transportation**, Departmental Office of Civil Rights, External Civil Rights Programs Division, 1200 New Jersey Avenue, SE, Washington, DC 20590, 202-366-4070
  - **Federal Highway Administration**, Office of Civil Rights, 1200 New Jersey Avenue, SE, 8<sup>th</sup> Floor, E81-314, Washington, DC, 20590, 202-366-0693/202-366-0752
  - **Federal Highway Administration**, North Carolina Division Office, 310 New Bern Avenue, Suite 410, Raleigh, NC 27601, 919-747-7010
  - **Federal Transit Administration**, Office of Civil Rights, ATTN: Title VI Program Coordinator, East Bldg. 5<sup>th</sup> Floor – TCR, 1200 New Jersey Avenue, SE, Washington, DC 20590
  - **Federal Motor Carrier Safety Administration**, Office of Civil Rights, 1200 New Jersey Avenue, SE, Room #W65-312, Washington, DC 20591, 202-366-4070

- **Federal Aviation Administration**, Office of Civil Rights, 800 Independence Avenue, SW, Washington, SC 2591, 202-267-3258
- **US Department of Justice**, Special Litigation Section, Civil Rights Division, 950 Pennsylvania Avenue, NW, Washington, DC 20530, 202-514-6255 or toll-free 877-218-5228

4. **Format for Complaints** – Complaints must be in writing, using the Town of Apex Discrimination Complaint Form, and signed by the complainant(s) or a representative, and include the complainant’s name, address, and telephone number. Complaints may be submitted by mail or fax. Complaints will be accepted in other languages, including Braille. Electronic copies of this form are available on the Town website, and physical copies can be collected at Town Hall. (See Discrimination Complaint Form included below.)
5. **Complaint Basis** - Allegations must involve issues of discrimination based on race, color, national origin, limited English language proficiency, income level, sex, pregnancy, sexual orientation, gender identity or expression, age, National Guard or veteran status, or disability (and religion, where applicable). Note: Religion (or creed) is only protected under Right of Way, Public Transportation, and Aviation programs.

Protected Categories	Definition	Examples (non-exhaustive)	Pertinent Statutes and Regulations	
			FHWA	FTA
Race	An individual belonging to one of the accepted racial groups; or the perception, based usually on physical characteristics that a person is a member of a racial group	Black/African American, Hispanic/Latinx, Asian, American Indian/Alaska Native, Native Hawaiian/Pacific Islander, White, etc.	Title VI of the Civil Rights Act of 1964; 49 CFR Part 21; 23 CFR 200; (Executive Order 13166)	Title VI of the Civil Rights Act of 1964; 49 CFR Part 21; Circular 4702.1B; (Executive Order 13166)
Color	Color of skin, including shade of skin within a racial group	Black, white, brown, yellow, etc.	(Executive Order 13166)	
National Origin (Limited English Proficiency)	Place of birth. Citizenship is not a factor. (Discrimination based on language or a person’s accent is also covered.)	Mexican, Cuban, Japanese, Vietnamese, Chinese, Russian, French, etc.		
Income level	An individual or household determined to be low-income	Poverty status	Executive Order 12898	
Sex	The biological sex of an individual. Note: Sex under this program does not include sexual orientation.	Women and men	1973 Federal-Aid Highway Act	Title IX of the Education Amendments of 1972
Sexual Orientation	A person's identity in relation to the gender or genders to which they are sexually attracted; the fact of being gay, lesbian, bisexual, etc.	Lesbian, gay, bisexual, asexual, queer, polysexual, pansexual, etc.	Title VII of the Civil Rights Act of 1964 Federal Transit Laws (49 U.S.C. § 5332)	
Gender Identity or expression	One’s self-identification and/or expression as male, female, or gender non-conforming, which may or may not correspond to the sex assigned at birth	Male, female, genderqueer, non-binary, etc.	Title VII of the Civil Rights Act of 1964 (see Bostock v. Clayton County, Georgia)	
Pregnancy	A person in whose womb or uterus a fetus is developing, encompassing the period from	Pregnant person	Governor’s 2017 EO 24	

	implantation through childbirth		
National Guard or Veteran Status	A person who has served in the military, naval, or air service, and who was discharged or released under honorable conditions (U.S.C. § 101(2))	U.S. Air Force veteran, former U.S. Marine, etc.	Governor's 2017 EO 24
Age	A person of any age	21 year old person, 60 year old person, etc.	Age Discrimination Act of 1975
Disability	Physical or mental impairment, permanent or temporary, real or perceived	Blindness, deafness, mobility impairment, cancer, epilepsy, diabetes, arthritis, etc.	Section 504 of the Rehabilitation Act of 1973; Americans with Disabilities Act of 1990
Religion	Creed. An individual belonging to a religious group; or the perception, based usually on distinguishable characteristics that a person is a member of a religious group	Muslim, Christian, Sikh, Hindu, etc.	Title VIII of the Civil Rights Act of 1968 (Fair Housing Act); 49 USC 47123 (FAA); 49 USC 5332 (FTA)

**COMPLAINT RECEIPT AND RESPONSE**

1. The Town of Apex's Title VI Coordinator will provide written acknowledgement via registered mail of your complaint within ten (10) calendar days.
2. The Town of Apex will review your complaint upon receipt to ensure the required information was provided, the complaint was timely filed, and jurisdictional requirements were met.
  - a. If the complaint is complete and no additional information is needed, the Town of Apex's Title VI Coordinator will send you a letter of acceptance as well as a Complainant Consent/Release Form.
  - b. If the complaint is incomplete, you will be contacted in writing to obtain the needed information. Note: Failure to respond and/or provide the requested information within 15 calendar days may be considered good cause for a determination of no investigative merit.
3. Within fifteen (15) calendar days of receiving your complaint, the Town of Apex will determine its jurisdiction in pursuing the matter and whether the complaint has sufficient merit to warrant investigation. Within five (5) days of this decision, the Town of Apex will notify you and Respondent (the person(s) against whom you have filed the complaint) via registered mail, stating the decision.
  - a. If the decision is not to investigate the complaint, the notification shall specifically state the reasons for the decision.
  - b. If the decision is to investigate the complaint, the notification shall state the grounds of the Town's jurisdiction and require your and the Respondent's full cooperation in assisting the investigator.
  - c. Interviews may be recorded during the investigation. Consent to record may be required if the interviewee is located outside of North Carolina.
4. The Town of Apex will attempt to resolve all discrimination complaints within 60 days of accepting the complaint for investigation. Every effort will be made to obtain early resolution of complaints at the lowest level possible. The option of informal mediation between the affected parties and Town of Apex staff may be utilized for resolution.



## Town of Apex Discrimination Complaint Form

**Any person who believes that they have been subjected to discrimination based upon race, color, national origin, limited English language proficiency, income level, sex, pregnancy, sexual orientation, gender identity or expression, age, National Guard or veteran status, disability, or limited English proficiency may file a written complaint with the Town of Apex's Title VI Coordinator within 180 days after the discrimination occurred.**

Last Name:	First Name:	<input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/> Non-binary		
Mailing Address:	Town:	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; padding: 5px;">State:</td> <td style="width: 50%; padding: 5px;">Zip:</td> </tr> </table>	State:	Zip:
State:	Zip:			
Home Telephone:	Work/Cell Phone:	Email Address:		

**Category of Discrimination:**

<input type="checkbox"/> RACE	<input type="checkbox"/> COLOR	<input type="checkbox"/> NATIONAL ORIGIN	<input type="checkbox"/> LIMITED ENGLISH PROFICIENCY
<input type="checkbox"/> RELIGION	<input type="checkbox"/> DISABILITY	<input type="checkbox"/> SEX	<input type="checkbox"/> SEXUAL ORIENTATION
<input type="checkbox"/> GENDER IDENTITY or EXPRESSION	<input type="checkbox"/> AGE	<input type="checkbox"/> PREGNANCY	<input type="checkbox"/> INCOME LEVEL
<input type="checkbox"/> NATIONAL GUARD OR VETERAN STATUS			

NOTE: Religion is covered as a basis only under NCDOT's Right of Way Unit (Fair Housing) and Public Transportation and Aviation Division.

Date and place of discriminatory action(s). Please include earliest date of discrimination and most recent date of discrimination:

Names of individuals responsible for the discriminatory action(s):

How were you discriminated against? Describe the nature of the action, decision, or conditions of the discrimination. Explain as clearly as possible what happened and why you believe your protected status (basis) was a factor in the discrimination. Include how other persons were treated differently from you. Attach additional page(s) if necessary.

The law prohibits intimidation or retaliation against anyone because the person either has taken action, or participated in action, to secure rights protected by these laws. If you feel you have been retaliated against, separate from the discrimination alleged above, please explain the circumstances below. Explain what action you took that you believe was the cause for the alleged retaliation. Attach additional page(s) if necessary.

Names of persons (witnesses, fellow employees, supervisors, or others) whom we may contact for additional information to support to clarify your complaint: \*Attach additional page(s) if necessary.

Name	Address	Telephone
_____	_____	_____
_____	_____	_____
_____	_____	_____

Have you filed, or intend to file, a complaint regarding the matter raised with any of the following? If yes, please provide the filing dates. Check all that apply.

- \_\_\_\_\_ Federal Highway Administration \_\_\_\_\_
- \_\_\_\_\_ Federal Transit Administration \_\_\_\_\_
- \_\_\_\_\_ Federal Motor Carrier Safety Administration \_\_\_\_\_
- \_\_\_\_\_ US Department of Transportation \_\_\_\_\_
- \_\_\_\_\_ Federal or State Court \_\_\_\_\_
- \_\_\_\_\_ NC Department of Transportation \_\_\_\_\_
- \_\_\_\_\_ Other \_\_\_\_\_

Have you discussed the complaint with any Town of Apex Town representative? If yes, provide the name, position, and date of discussion.

Please provide any additional information that you believe would assist with an investigation.

Briefly explain what remedy, or action, you are seeking for the alleged discrimination.

**AN UNSIGNED COMPLAINT WILL NOT BE ACCEPTED. PLEASE SIGN AND DATE THE FORM BELOW.**

COMPLAINANT'S SIGNATURE:

DATE:

**MAIL COMPLAINT FORM TO:**

Town of Apex  
ATTN: Title VI Program Coordinator  
P.O. Box 250  
Apex, NC 27502  
919-249-3400  
919-249-3305 (fax)

FOR OFFICE USE ONLY

Date Complaint Received: \_\_\_\_\_

Processed by: \_\_\_\_\_

Referred to: \_\_\_\_\_

Date Referred: \_\_\_\_\_

**Town of Apex, NC**  
**TITLE VI COMPLAINANT**  
**CONSENT / RELEASE FORM**



Name:	Telephone Number:
Address (number and street, city, state, ZIP code)	
<p><i>As a complainant, I understand that during an investigation it may become necessary for The Town of Apex to reveal my identity to individuals outside of the Town of Apex Government in the course of verifying information or gathering facts and evidence to develop a basis for making a civil rights compliance determination. I understand that it may be necessary for the Town of Apex to share information, including personal details collected as part of its complaint investigation. In addition, I understand that as a complainant, I am protected by Title VI of the Civil Rights Act of 1964, as amended, and its related statutes and regulations prohibiting intimidation or retaliation for taking action or participating in an action to secure rights protected by the nondiscrimination statutes enforced by the Town of Apex.</i></p>	
<p><i>Please read both paragraphs below, check your choice of CONSENT or CONSENT DENIED and sign below.          (Please Initial One)</i></p>	
<p><b>CONSENT</b> <span style="float: right;">Initial here _____</span></p> <p>I have read and understand the above information and authorize the Town of Apex to disclose my identity to individuals as needed during the course of the investigation for the purpose of verifying information or gathering facts and evidence relevant to the investigation of my complaint. I authorize the Town of Apex to receive, review, and discuss material and information about me relevant to the investigation of my complaint.</p> <p>I understand that the material and information will be used for authorized civil rights compliance and enforcement activities. I further understand that I am not required to authorize this release and volunteer to do so.</p>	
<p><b>CONSENT DENIED</b> <span style="float: right;">Initial here _____</span></p> <p>I have read and understand the above information and do not want the Town of Apex to disclose my identity to any individual during the course of the investigation. I understand this choice could delay the investigation of my complaint and may, in some circumstances, result in an administrative closure of the investigation of my complaint without the Town of Apex making a determination in my case.</p>	
Signature	Date:
Printed Name:	

# | Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: NEW BUSINESS  
Meeting Date: December 12, 2020

## Item Details

Presenter(s): Shawn Purvis, Assistant Town Manager  
Department(s): Administration

### Requested Motion

Possible motion to provide financial support to DHIC for the affordable housing project at Broadstone Walk in the form of grants from the Affordable Housing Fund for Water and Sewer Capital Reimbursement Fees and Recreation Fees-in-lieu and a loan for construction contingent upon final project approval

### Approval Recommended?

Yes

### Item Details

DHIC, Inc. has submitted two requests on behalf of the ownership entity to be formed for the permanent financing of Broadstone Walk- 1) a grant totaling \$165,000 to offset water and sewer capital reimbursement fees, and 2) loan funding of up to \$1,000,000. Broadstone Walk is a proposed 164-unit affordable housing complex for families to be located on S. Hughes near the intersection of the Peakway. DHIC will submit the development as a 4% tax-exempt bond development and is leveraging additional funding from Wake County. The Town's financial support would come from the Affordable Housing Fund and the commitment would be divided between FY2020-2021 and FY2021-2022.

### Attachments

- Staff memo
- Letters requesting support





Mr. Drew Havens  
 Town Manager  
 Apex Town Hall  
 73 Hunter Street  
 P.O. Box 250  
 Apex, NC 27502  
 919-249-3400

Mr. Havens,

DHIC Inc. would like to formally request from the Town of Apex a capital reimbursement fee in the amount of \$165,000 to assist in the development of affordable housing within Apex, at the intersection of Apex Peakway and S Hughes St. Broadstone Walk will be a 164-unit affordable housing development, anticipated to open in Q1/Q2 2023. This reimbursement will be for the water/sewer fees as calculated by meter sizing and quantities provided by our Civil Engineer.

DHIC looks to build upon the longstanding relationship with Apex established back in 1997, with the opening of Beechridge Apartments, which itself is currently undergoing rehabilitation. Broadstone Walk would serve a diverse subset of the population, offering 1, 2, and 3-bedroom units across 70%, 60%, 50%, and 40% Area Median Income bands. A 30-year deed restriction would preserve the affordability for decades to come, ensuring generations of those who want to live and work in Apex have affordable housing options.

Apex Town Staff have been truly wonderful to work with and instrumental to our success so far, helping us shepherd the project through the rezoning process and working closely with us as we have gone through multiple iterations of the project itself. We look forward to continuing to work with the Town of Apex to bring much-needed affordable housing to its residents!

Best Regards,

Yolanda Winstead  
 President  
 DHIC, Inc.



Mr. Drew Havens  
 Town Manager  
 Apex Town Hall  
 73 Hunter Street  
 P.O. Box 250  
 Apex, NC 27502  
 919-249-3400

Mr. Havens,

DHIC Inc. would like to formally request from the Town of Apex a loan in the amount of \$1,000,000 to assist in the development of affordable housing within Apex, at the intersection of Apex Peakway and S Hughes St. Broadstone Walk will be a 164-unit affordable housing development, anticipated to open in Q1/Q2 2023. Requested terms of this loan would be 1% interest rate, 30 year term with an amortization repayment schedule based on a 1.15 debt service coverage ratio, and subordinate to first mortgage and Wake County’s lien positions.

DHIC looks to build upon the longstanding relationship with Apex established back in 1997, with the opening of Beechridge Apartments, which itself is currently undergoing rehabilitation. Broadstone Walk would serve a diverse subset of the population, offering 1, 2, and 3-bedroom units across 70%, 60%, 50%, and 40% Area Median Income bands. A 30-year deed restriction would preserve the affordability for decades to come, ensuring generations of those who want to live and work in Apex have affordable housing options.

Apex Town Staff have been truly wonderful to work with and instrumental to our success so far, helping us shepherd the project through the rezoning process and working closely with us as we have gone through multiple iterations of the project itself. We look forward to continuing to work with the Town of Apex to bring much-needed affordable housing to its residents!

Best Regards,

Yolanda Winstead  
 President  
 DHIC, Inc.



December 9, 2020

**To:** Mayor Gilbert and Town Council  
**Cc:** Drew Havens, Town Manager  
**From:** Shawn Purvis, Assistant Town Manager   
**Re:** DHIC Broadstone Walk Support Request

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The purpose of this memo is to provide information related to the financial support requested by DHIC for the Broadstone Walk project. This memo provides a brief background of the project, the purpose of the financial support, and information on the fiscal impact on the Town.

### **Background**

Town Council received information regarding a proposed affordable housing complex by DHIC called Broadstone Walk at their February 2020 CIP work session. The 164-unit complex would be located on S. Hughes Street near the Apex Peakway. At the time, DHIC was pursuing a nine percent tax credit for the project and the support needed from the Town was unknown. Unfortunately, DHIC did not received the 9-percent credit. They restructured their proposal to apply for a four percent tax-exempt bond, which they will submit in January. The revised pro forma for the project initially included a grant request for water and sewer capital reimbursement and a loan request for \$800,000 from the Town. DHIC requested \$3.2 million in loan funding from Wake County. County staff anticipates recommending approval at the Board of Commissioners meeting on January 4, 2021, noting, "The proposed development has a weighted average affordability of 58.5%, with approximately 41% of its units affordable to households earning 40% and 50% of the AMI."<sup>1</sup>

North Carolina General Statute (N.C.G.S.) 160A-20.1 provides authority for the Town to expend funds for public purposes, including providing affordable housing, and N.C.G.S. 157-3(12)(e) authorizes the Town "to provide grants . . . and other programs of financial assistance to public or private developers of housing for persons of low income, or moderate income, or low and moderate income."

### **Discussion**

DHIC is requesting a grant for \$165,000 to offset water and sewer capital reimbursement fees. Initially DHIC intended to request an \$800,000 loan from the Town. Recent discussions between the County and DHIC, however, have forced DHIC to re-evaluate the project's unit mix and rate strategy, which could result in an increase in some unit rents or a change in the mix of units at different affordability levels. DHIC is confident in Broadstone Walk's existing unit mix and rent strategy and feels revisions could affect the overall marketability of the project. To retain the originally proposed rates and unit mix, DHIC is requesting an increase of \$200,000 for a loan amount up to \$1 million from the Town. The terms of the loan would mirror the County's model of one percent interest during construction and one percent on the permanent loan for a 30-year term. The loan would be fully amortizing with a variable repayment schedule. During construction and in the permanent phase the Town of Apex would hold third lien, subordinate to a bank loan and Wake County.

Funding for the grants and loan would come from the Town's Affordable Housing Fund (AHF). The FY20-21 Adopted Budget included \$1,020,000 in the fund. This fiscal year Town Council has approved \$85,000 in grants

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<sup>1</sup> Wake Co. Housing Affordability & Community Revitalization Department recommendation to Wake County Board of Commissioners

for the Kissena Lane affordable housing project and \$250,000 for the newly developed Apex Cares Housing Rehabilitation Program, leaving \$685,000 available in the AHF. Although DHIC is seeking a commitment of funds now, the project will not require cash from the Town until FY21-22. Town Council can commit funds from expected future earnings and split the grant and loan funds between the current fiscal year and next fiscal year. Based on current trends, the Town can expect a cent on the tax rate to equal between \$1.05 million and \$1.1 million in FY21-22. Splitting the request equally between two fiscal years and accounting for \$250,000 for the Apex Cares Program in FY21-22, would leave \$102,500 in the AHF for the current year and \$217,500 in FY21-22.

### **Recommendation**

The Broadstone Walk project aligns with Town Council's goal to increase affordable housing options in Apex. Committing funds to the project would support a Town Council initiative. If Town Council chooses to support the project financially, the second decision is determining the amount of the loan. DHIC initially intended to request \$800,000 and increased their request to \$1 million to maintain their proposed affordable unit mix and rate structure. It is important to note that Town staff will present the Apex Affordable Housing Plan to Town Council in January for adoption. Multiple initiatives and programs will likely result from the plan that will require funding. When deciding the loan amount, Town Council should consider the impact the loan amount would have on DHIC's rate strategy as well as the impact on the Town's available funds for other projects and programs.

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for consideration by the Apex Town Council

Item Type: CLOSED SESSION  
Meeting Date: December 15, 2020

## Item Details

Presenter(s): Laurie Hohe, Town Attorney  
Department(s): Legal Department

### Requested Motion

Possible motion to go into closed session to consult with the Town Attorney pursuant to NCGS 143-318.11(a)(3) to discuss the handling of the matter of Empire Contractors, Inc. v. Town of Apex.

### Approval Recommended?

N/A

### Item Details

N/A

### Attachments

- N/A



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for consideration by the Apex Town Council

Item Type: CLOSED SESSION  
Meeting Date: December 15, 2020

## Item Details

Presenter(s): Jacques K. Gilbert, Mayor  
Department(s): Governing Body

### Requested Motion

Possible motion to go into Closed Session to discuss a personnel matter.

### Approval Recommended?

Yes

### Item Details

Closed Session for a personnel matter.

### Attachments

- N/A

