

City of Greenville

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2019



OUR MISSION

The City of Greenville's mission is to provide all citizens with high-quality services in an open, inclusive, professional manner, ensuring a community of excellence now and in the future.

OUR VISION

The City of Greenville is a vibrant, innovative, and inclusive community with unique and sustainable neighborhoods; an abundance of first-class arts, cultural and recreational opportunities; well-maintained and cost-effective infrastructure; a diversity of transportation options; and a strong business climate supported by entrepreneurialism and top-quality educational institutions.

OUR VALUES

Integrity — We will be truthful, dependable, and fair in all actions.

Respect — We will value each person for their thoughts, opinions, and diversity.

Professionalism — We will be professional and efficient in our work.

Fairness and Equity — We will practice fairness and equity in all decisions.

Teamwork — We will work together in a shared responsibility of service.

Accountability — We will be accountable for our actions and decisions to all we serve.

Commitment to Service and Excellence — We will strive for excellence and be committed to providing high-quality services to our customers/citizens.



Find yourself in good company®

CITY OF GREENVILLE, NORTH CAROLINA
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Introduction

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2019



December 30, 2019



To the Honourable Mayor and Members of the City Council and the Citizens of the City of Greenville, North Carolina:

State law requires that every general purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfil that requirement for the fiscal year ended June 30, 2019.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that is has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Cherry Bekaert LLP, a firm of licensed certified public accountants, has issued an unmodified ("clean") opinion on the City of Greenville's financial statements for the year ended June 30, 2019. The independent auditor's report is located at the front of the financial section of this report.

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

Profile of the City

The City of Greenville, North Carolina, founded in 1771, as Martinsborough (named for the Royal Governor Josiah Martin, and later named for General Nathanael Greene), is located in the eastern part of the state, which is considered to be one of the top growing areas in eastern NC and the state. Affectionately referred to as the "Hub of Eastern North Carolina", the City of Greenville is the 10th largest city in North Carolina. Greenville serves as the county seat for Pitt County and comprises roughly 50% of the County's population within its 35 square miles. Greenville sits on the banks of the Tar River as the economic, educational, cultural, and medical capital of Eastern North Carolina, with a growing population of approximately 93,100.

The City of Greenville operates under a Council-Manager form of government. The seven-member City Council is the policy-making and legislative body of City government. The Council enacts local laws and ordinances, adopts the annual budget and financial plan for the operations of the City, and authorizes contracts for the City. The Mayor is the presiding officer of the Council and signs all documents authorized by Council.

Five of the seven Council members are elected from individual districts, and two members, including the Mayor, are elected at-large. A Mayor Pro-Tem, who will assume mayoral duties in the absence of the Mayor, is selected from the members of the newly elected Council body. Each of the Council members, including the Mayor, serves two-year terms and is elected on a biannual basis. The Council also appoints the City Manager, City Attorney, City Clerk, and members of the volunteer boards and commissions. The City Manager serves as Chief Executive Officer and is responsible for implementing Council policies, City ordinances, managing daily operations, and appointing department directors. The City Manager also serves as a Commissioner on the Greenville Utilities Board.

The City of Greenville, North Carolina provides a full range of services, including police and fire protection, planning and zoning, community and economic development, recreational activities and parks, refuse, recycling, and other sanitation services, stormwater and drainage, fixed-route transit services, regional transportation planning services, general administrative and technological services, engineering, and the construction and maintenance of City streets, sidewalks, and other associated infrastructure. Certain planning and utility services are provided outside the City's municipal boundary in its extraterritorial area to provide for orderly growth.

The Greenville City Council is required to adopt an initial budget ordinance for the fiscal year no later than July 1st of each year. This annual budget ordinance creates a legal limit on spending authorizations and serves as the foundation for its financial planning control. The City Manager is authorized by the budget ordinance to make certain limited transfers within funds to facilitate budget execution consistent with Council intent.

Local Economy

The City of Greenville functions as a major commuter hub and urban regional center. At the heart of Greenville are two very significant economic generators – East Carolina University (ECU) and Vidant Medical Center. Their presence and growth have allowed Greenville to grow into a prosperous “uni-med” community. ECU received national recognition in *U.S. News & World Report's* 2017 Best Online Programs for their online graduate and bachelor programs announced on January 10, 2017. In the educational area, ECU is the third-largest university in North Carolina with nearly 29,000 students and more than 5,800 faculty and staff. Vidant Medical Center anchors a medical community that employs around 7,000 health care professionals in Greenville and has a serving reach of 29 counties across Eastern North Carolina. The newest Vidant endeavor, Vidant Health Cancer Center, is set to open in 2018. The new Cancer Center will be a 6-story, 96-bed facility encompassing 418,000 square feet.

The East Carolina Research and Innovation Campus, also known as the ECU Millennial Campus, contributes to Greenville's local economy in more ways than one. ECU's Millennial Campus serves as a model for research universities giving them greater flexibility to work with education, industry, government, military and other partners to develop real estate products that promote university goals.

Pitt Community College (PCC) is seventh largest in North Carolina's 58 campus community college system. PCC offers a wide variety of business and industrial curriculum classes via the Internet, telecourses, as well as community-based continuing education courses for students in the Greenville area. Shaw University has an extension of the Center for Alternative Programs in Education (CAPE) in Greenville. Additionally, Pitt County Schools System (PCS) provides K-12 instruction. PCS is accredited AdvancED, a trusted partner to over 34,000 schools and school systems.

An off-shoot to being a “uni-med” community is the bio-med businesses which thrive in the uni-med environment. Several medical innovations have been developed in Greenville including robotic heart valve replacement surgery and an implant to help patients overcome stuttering. Greenville is also home to a very important bio-pharmaceutical cluster, providing significant employment to our residents and the surrounding area. Mayne-Pharma and Patheon Pharmaceuticals are both important components of this cluster. Mayne-Pharma was named the 2015-2016 Pitt County Industry of the Year in February of 2016.

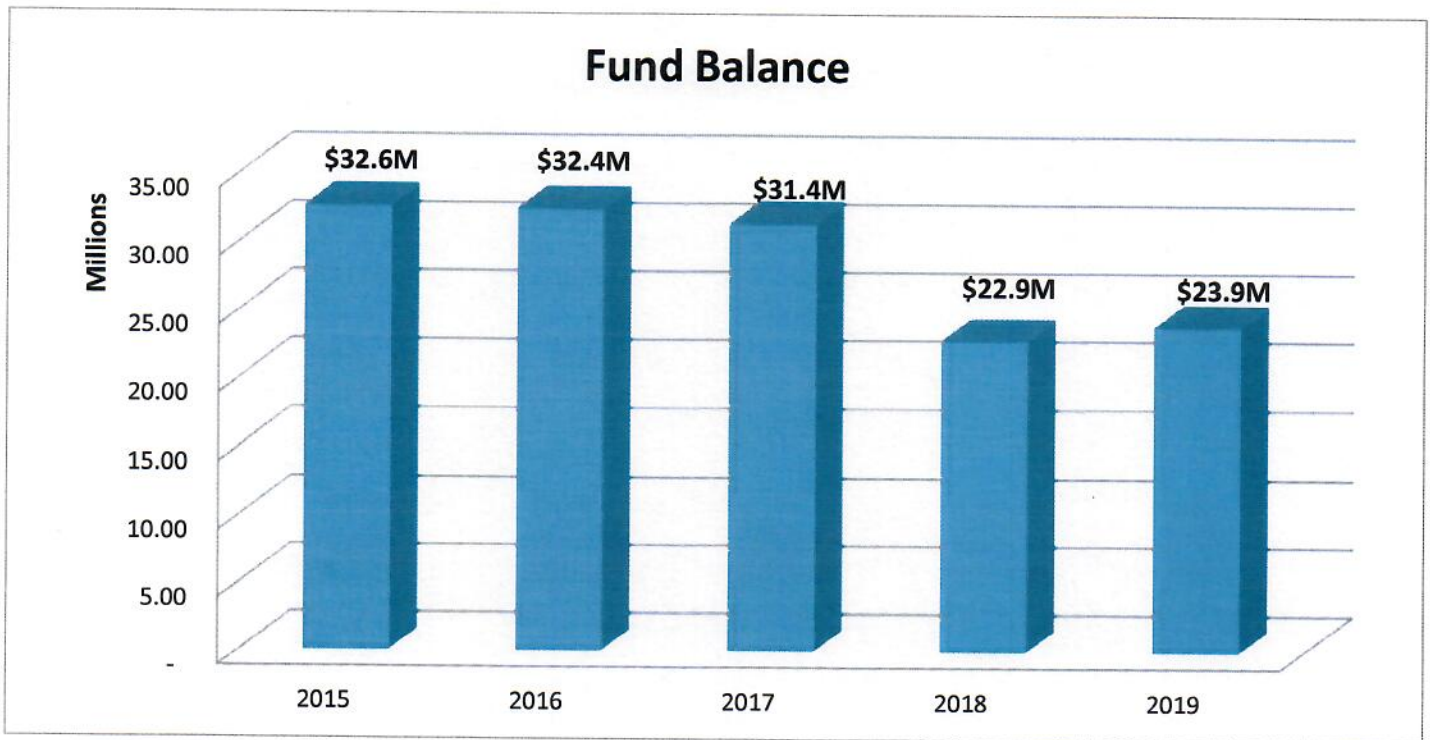
A majority of Greenville's manufacturing is located inside the extra-territorial jurisdiction (ETJ), thereby providing stable employment for Greenville's residents. However, much of this manufacturing is located outside the City's limits, which does not provide the property tax base that would help Greenville provide City services. Businesses that call Greenville their home include the likes of:

- DSM Dyneema: Produces components in ropes, cables and nets for the fishing and shipping industries
- Hyster-Yale: Designs, engineers, and manufactures materials handling equipment
- ASMO: Produces front wiper motor linkages, rear wiper motors, arms, and blades and radiator fan motors for its North American customers

- Grady-White Boats: Has a legendary reputation for designing and producing outstanding fiberglass boats

Economic Impact to the City

The City's FY 2019 budget represented a 10% decrease from the FY 2018 total. This was the result of a decrease in transfers to capital project funds, as well as the \$1.3 million budgeted for the Police red light program being allocated to its own fund. Revenue estimates were adjusted to provide a more accurate and conservative representation of historical trends. These adjustments resulted in additional funding for street maintenance, additional public safety positions, a 2.7% employee salary increase, an increase in debt service related to the 2015 G.O. Bond Referendum. In FY 2019, \$20.7 million in Sales tax was collected, increasing 8.5% when compared to prior year. This increase is due to increased construction throughout the city of Greenville. Additionally, the FY 2019 property tax rate remained unchanged, at \$0.53 per \$100 of assessed valuation.



Based on revenues of \$84.8 million and expenses of \$83.8 million, the City's General Fund experienced a net increase in fund balance of \$1.1 million; therefore, only having to use a minimal portion of the original appropriation for the year.

The City of Greenville maintains a healthy total fund balance of approximately \$23.9 million and continues to exceed the 14% unassigned fund balance policy established by City Council. Furthermore, the City of Greenville has maintained a relatively low level of debt with total governmental backed debt accounting for approximately \$33.1 million. Total City debt is \$224 million.

As of June 30, 2019, the City of Greenville maintained strong bond ratings with Moody's and Standard and Poor's of Aa2 and AA, respectively.

Long-Term Financial Planning and Major Initiatives

Some of our recent investments in business opportunities, in conjunction with our community partners, including East Carolina University, Pitt Community College, Vidant Medical Center, Greenville-Pitt County Chamber of Commerce, Pitt County Committee of 100, and Greenville Utilities Commission (GUC), among others, are assisting the City in becoming a pharmaceutical hub. These

activities have already generated significant private investment and additional high-wage jobs for the Greenville community. Staff will continue to foster these and other economic development initiatives and continue to facilitate partnerships to generate new economic activity.

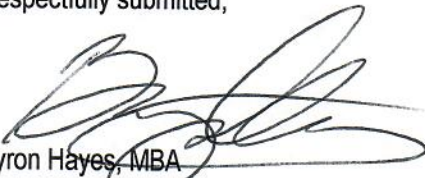
Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Greenville for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2018. This was the twenty-ninth consecutive year that Greenville has received this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable program requirements.

The CAFR for the fiscal year ended June 30, 2019 is being submitted to GFOA for consideration of Certificate of Achievement indicating the City's commitment in continuing to meet program requirements. As required by North Carolina General Statute 159-34, a copy of this report will be filed with the Secretary of the North Carolina Local Government Commission. In addition, a copy will be sent to the City Clerk to be available for public inspection.

The preparation of this report could not have been accomplished without the professionalism and dedication demonstrated by the entire staff of the Financial Services Department. I also want to thank the City Manager's Office, Mayor, and City Council in providing leadership and taking the necessary actions to continue a standard of financial excellence for the City. In addition, the City of Greenville departments are commended for their assistance in providing the data necessary to prepare this report as we continue to provide a high level of public services at a reasonable tax rate. This CAFR reflects the City's commitment to the citizens of Greenville, North Carolina and the financial community to maintain financial statements in conformance with the highest standards of financial accountability.

Respectfully submitted,



Byron Hayes, MBA
Financial Services Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Greenville
North Carolina**

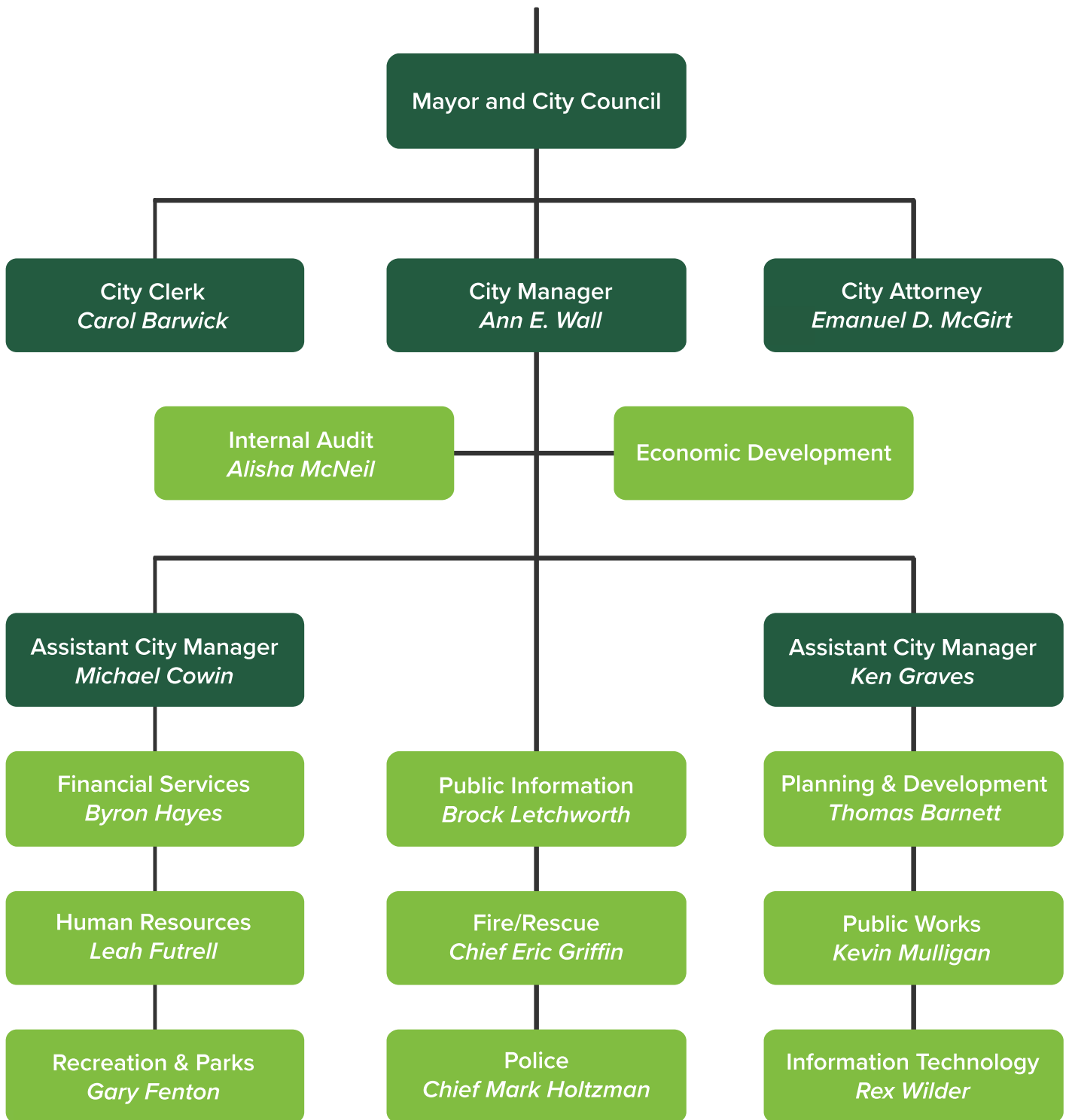
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO

Citizens

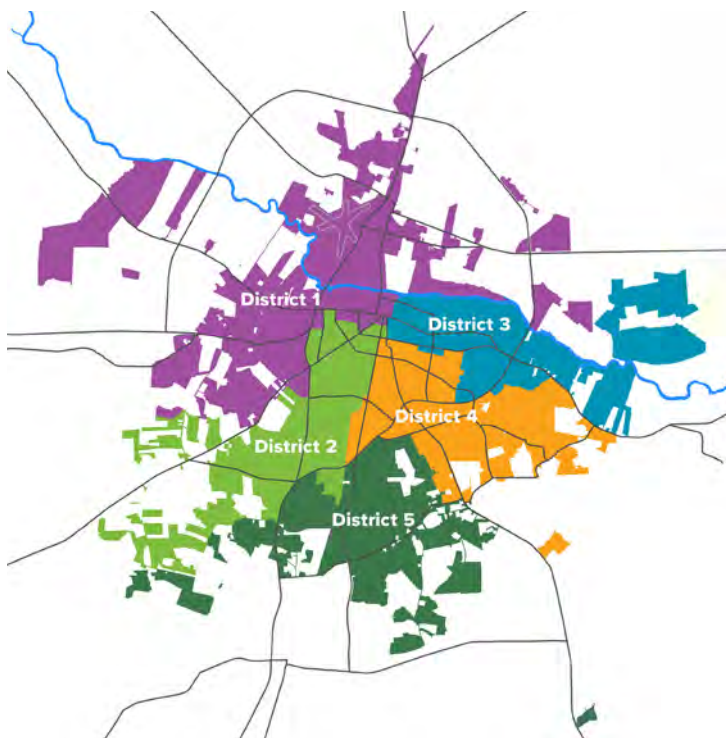




CITY OFFICIALS

Greenville has been governed by the council-manager governmental structure since 1953. Under this form of government, the City Council, which is elected by the people, is the final authority on policy matters relating to Greenville's government. The City Council employs a professional City Manager to handle the day-to-day management and operations of the City.

The Mayor and City Council are the governing body of the City. The Mayor acts as the official head of the government and spokesperson for the Council. The Mayor presides at all City Council meetings and signs all documents authorized by the Council. The Mayor Pro-Tem is selected by each newly-elected Council. This person assumes mayoral duties in the absence of the Mayor. The Mayor and City Council are responsible for establishing general policies for the operation of the City as well as appointing the City Manager, City Attorney, City Clerk, and members of the volunteer Boards and Commissions. The Council enacts ordinances, resolutions, and orders; adopts the annual budget; approves the financing of all City operations; and authorizes contracts on behalf of the City.



P.J. Connelly
Mayor



Rose Glover
Mayor Pro-Tem
District 2



Monica Daniels
District 1



Will Bell
District 3



Rick Smiley
District 4



William Litchfield
District 5



Brian Meyerhoeffer
At-Large





Financial Section

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2019



Report of Independent Auditor

The Honorable Mayor
and Members of the City Council
City of Greenville
Greenville, 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 City of Greenville, North Carolina (the "City") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City'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 from 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 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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Required Supplementary Information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 City's basic financial statements as a whole. The introductory section, other supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the State Single Audit Implementation Act, and is also not a required part of the basic financial statements.

The other supplementary information and the schedule of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the procedures performed as described above, the other supplementary information 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.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2019, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Chemy Bekaert LLP

Raleigh, North Carolina
December 30, 2019

CITY OF GREENVILLE, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Greenville, we offer readers of the City's financial statements, this narrative and analysis of the financial activities for the fiscal year ended June 30, 2019. We encourage readers to read the information presented in conjunction with the preceding transmittal letter and the additional information included in the City's financial statements that follow.

FINANCIAL HIGHLIGHTS

Highlights of the City's fiscal year ended June 30, 2019 include:

- The assets and deferred outflows of resources of the City of Greenville exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$598,361,922 (*net position*). Of this amount, \$115,087,347 can be used to meet the City's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$36,281,413. The City's net position changed due to an increase of \$13,204,525 in Governmental Activities and an increase of \$23,076,888 in Business-type activities.
- The City of Greenville's governmental funds reported combined ending fund balances of \$40,473,775, a decrease of \$3,503,184, in comparison with the prior year. Approximately 51.7% of the total fund balance, within the General Fund, or \$12,376,619, is available for spending at the government's discretion. Of this amount, 94.7% is considered unassigned fund balance. Approximately 39.7% of the total General Fund's fund balance amount, or \$9,381,263, is non-spendable or restricted.
- Unassigned fund balance for the General Fund was \$11,726,619, or 14% of total General Fund expenditures (including transfers out) for the fiscal year. Overall, the fund balance, from current year's activity, for the General Fund increased by \$1,054,653, when compared to prior year. Overall, the expenditures decreased 7.34% while revenues increased 3.59%. The decrease in expenditures was driven a reduction in transfers to capital projects.
- The City of Greenville's total debt, including the Greenville Utilities Commission (GUC) managed debt (excluding Law Enforcement Officer Separation Allowance, LGERS, OPEB and Compensated Absences liabilities) had a net increase of \$57,442,642 million during the current fiscal year.
- In Fiscal Year 2020, the City will issue approximately \$8 million in General Obligation bonds. The bonds will be the second half of the Streets and Pedestrian Bond issuances. In Fiscal Year 2020, the City will also issue approximately \$6 million in installment financing to construct a new fire station.

In addition, the City recognized the following accomplishments:

- For the 29th consecutive year, the GFOA of the United States and Canada has bestowed the highest form of recognition of governmental accounting and financial reporting, the Certificate of Achievement for Excellence in Financial Reporting, to the City of Greenville.

CITY OF GREENVILLE, NORTH CAROLINA

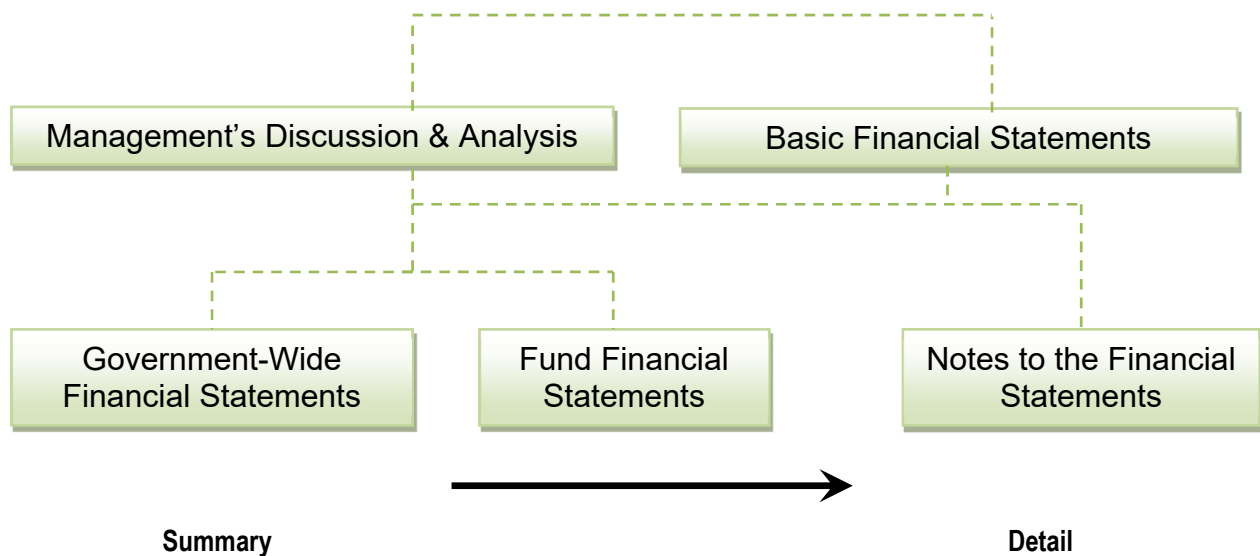
MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Required Components of Annual Financial Report

Figure 1



BASIC FINANCIAL STATEMENTS

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

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

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

CITY OF GREENVILLE, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

The government-wide statements are divided into two categories: 1) governmental activities and 2) business-type activities. The governmental activities include most of the City's basic services, such as general administration, public safety, transportation, environmental protection, cultural and recreational activities, and economic and physical development. Property taxes, other taxes, charges for services, and Federal and State grant funds finance most of these activities. The business-type activities are those that function as an enterprise and rely principally on user fees to support those services. These include the electric, water, sewer, gas, transportation, stormwater utility, and sanitation offered by the City of Greenville. The government-wide financial statements are on Exhibits A and B of this report.

FUND FINANCIAL STATEMENTS

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

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

The City of Greenville adopts an annual budget for its General Fund, as required by the General Statutes. Biennially, the City also approves a financial operating plan that includes a two-year budget and five years Capital Improvement Program. The budget is a legally adopted document that incorporates input from the citizens of the City, the management of the City, and the decisions of the City Council concerning which services to provide and how to pay for them. It also authorizes the City to obtain funds from identified sources to finance those current period activities. The budgetary statement provided for the General Fund demonstrates how well the City complied with the budget ordinance and whether or not the City succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the City Council; 2) the final budget as amended by the City Council; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

CITY OF GREENVILLE, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

Proprietary Funds – The City of Greenville has two different kinds of proprietary funds: enterprise and internal service.

Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Greenville uses enterprise funds to account for its electric, water, sewer, gas, transportation, sanitation, and stormwater utility. These funds are the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

Internal Service Funds are accounting devices used to accumulate and allocate costs internally among the functions of the City of Greenville and Greenville Utilities Commission. The City of Greenville currently has four functioning internal service funds. The City uses internal service funds to account for its fleet maintenance program, health insurance, facility improvements, and the management and purchase of replacement vehicles. Because these operations benefit predominantly governmental rather than business-type activities, the internal service funds have been included within the governmental activities in the government-wide financial statements.

Fiduciary Funds – Fiduciary funds are used to report assets that are held in a trustee or agency capacity for others and, therefore, cannot be used to support other government activities. The City of Greenville has the Other Post-Employment Benefits (OPEB) Trust Fund to account for resources that are held in a trust for the employees.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements follow Exhibit K of this report.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the City of Greenville's progress in funding its obligation to provide pension benefits for the law enforcement officers through the special separation allowance, pension benefits to employees through the Local Governmental Employee Retirement System, and health benefits to retirees through Other Post-Employment Benefits. Required supplementary information can be found following the notes section of this report.

INTERDEPENDENCE WITH OTHER ENTITIES:

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

CITY OF GREENVILLE, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of net position as of June 30, 2019 (as shown in Exhibit A) with comparative data for June 30, 2018.

City of Greenville's Net position
Figure 2

	Government Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 61,647,231	\$ 66,493,980	\$ 254,028,842	\$ 185,427,655	\$ 315,676,073	\$ 251,921,635
Investment in joint venture	27,628,003	22,033,325	-	-	27,628,003	22,033,325
Capital assets, non-depreciable	85,337,706	77,392,282	49,013,320	38,220,114	134,351,026	115,612,396
Capital assets, net	115,038,015	113,026,352	378,987,209	366,934,283	494,025,224	479,960,635
Total Assets	<u>289,650,955</u>	<u>278,945,939</u>	<u>682,029,371</u>	<u>590,582,052</u>	<u>971,680,326</u>	<u>869,527,991</u>
Total Deferred outflows of resources	<u>13,385,445</u>	<u>9,058,706</u>	<u>21,946,499</u>	<u>8,793,654</u>	<u>35,331,944</u>	<u>17,852,360</u>
Long-term liabilities outstanding	95,672,608	105,435,749	247,375,473	180,733,988	343,048,081	286,169,737
Other liabilities	13,492,811	7,672,022	38,897,914	23,966,273	52,390,725	31,638,295
	<u>109,165,419</u>	<u>113,107,771</u>	<u>286,273,387</u>	<u>204,700,261</u>	<u>395,438,806</u>	<u>317,808,032</u>
Total Deferred inflows of resources	<u>6,918,890</u>	<u>1,149,308</u>	<u>6,292,652</u>	<u>6,342,502</u>	<u>13,211,542</u>	<u>7,491,810</u>
Net position:						
Net Investment in Capital Assets	171,216,050	159,150,868	290,552,856	287,024,110	461,768,906	446,174,978
Restricted	21,505,669	17,840,521	-	-	21,505,669	17,840,521
Unrestricted	<u>(5,769,628)</u>	<u>(3,243,823)</u>	<u>120,856,975</u>	<u>101,308,833</u>	<u>115,087,347</u>	<u>98,065,010</u>
Total net position	<u>\$ 186,952,091</u>	<u>\$ 173,747,566</u>	<u>\$ 411,409,831</u>	<u>\$ 388,332,943</u>	<u>\$ 598,361,922</u>	<u>\$ 562,080,509</u>

As noted earlier, net position may serve, over time, as one useful indicator of a government's financial condition. The assets and deferred outflows of the City of Greenville's government-wide activities exceeded its liabilities and deferred inflows at the close of the fiscal year by \$598,361,922 (*net position*). The City's net position increased by \$36,281,413 for the fiscal year ended June 30, 2019, when compared to prior year. The largest portion (77%) of the City's Net Position reflects the City's net investment in capital assets (e.g. land, buildings, machinery and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Greenville's net investment in capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of the City of Greenville's net position, \$21,505,669, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$115,087,347 can be used to meet the City's ongoing obligations to citizens and creditors (*unrestricted*).

CITY OF GREENVILLE, NORTH CAROLINA
MANAGEMENT’S DISCUSSION AND ANALYSIS

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

- Strong returns on investments due to an increase in short term yields.
- Property tax collection percentage of 99.7%.

At the end of the current fiscal year, the City of Greenville is able to report positive balances in both governmental and business-type net position for the City as a whole. The same situation held true for the prior fiscal year as detailed in the changes in net position.

City of Greenville’s Changes in Net position
Figure 3

	Government Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Charges for services	\$ 11,725,556	\$ 11,876,321	\$ 277,058,214	\$ 273,112,799	\$ 288,783,770	\$ 284,989,120
Operating grants and contributions	3,016,824	3,351,271	3,149,231	1,103,161	6,166,055	4,454,432
Capital grants and contributions	8,774,719	10,968,973	2,750,954	1,782,602	11,525,673	12,751,575
General Revenues:						
Ad valorem taxes	34,884,210	34,200,382	-	-	34,884,210	34,200,382
Other taxes	29,085,025	14,941,018	-	-	29,085,025	14,941,018
Other	8,815,399	14,356,644	3,558,759	1,159,458	12,374,158	15,516,102
Total Revenues	96,301,733	89,694,609	286,517,158	277,158,020	382,818,891	366,852,629
Expenses						
General governmental	29,324,390	28,169,833	-	-	29,324,390	28,169,833
Public Safety	27,550,574	28,561,730	-	-	27,550,574	28,561,730
Transportation	10,309,377	8,013,228	-	-	10,309,377	8,013,228
Environmental protection	1,229,488	1,453,541	-	-	1,229,488	1,453,541
Cultural and recreation	9,392,847	9,296,242	-	-	9,392,847	9,296,242
Economic and physical development	10,373,498	11,427,279	-	-	10,373,498	11,427,279
Interest and fees	1,112,954	1,157,600	-	-	1,112,954	1,157,600
Electric	-	-	168,797,235	164,002,308	168,797,235	164,002,308
Water	-	-	19,298,173	17,586,204	19,298,173	17,586,204
Sewer	-	-	21,502,927	20,648,457	21,502,927	20,648,457
Gas	-	-	32,532,222	34,791,088	32,532,222	34,791,088
Public Transportation	-	-	3,018,862	2,693,132	3,018,862	2,693,132
Stormwater Utility	-	-	4,709,366	3,210,392	4,709,366	3,210,392
Sanitation	-	-	7,385,565	6,808,162	7,385,565	6,808,162
Total Expense	89,293,128	88,079,453	257,244,350	249,739,743	346,537,478	337,819,196
Increase in net position before transfers	7,008,605	1,615,156	29,272,808	27,418,277	36,281,413	29,033,433
Transfers	6,195,920	6,302,102	(6,195,920)	(6,302,102)	-	-
Increase in net position	13,204,525	7,917,258	23,076,888	21,116,175	36,281,413	29,033,433
Net position, July 1	173,747,566	196,112,602	388,332,943	392,453,773	562,080,509	588,566,375
Restatement	-	(30,282,294)	-	(25,237,005)	-	(55,519,299)
Beginning of year restated	173,747,566	165,830,308	388,332,943	367,216,768	562,080,509	533,047,076
Net position, June 30	<u>\$ 186,952,091</u>	<u>\$ 173,747,566</u>	<u>\$ 411,409,831</u>	<u>\$ 388,332,943</u>	<u>\$ 598,361,922</u>	<u>\$ 562,080,509</u>

CITY OF GREENVILLE, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities: Governmental activities increased the City's net position by \$13,204,525. Of total net position, governmental activities accounted for \$186,952,091, or 31%. Key elements of this increase are as follows:

- Property tax remained stable for Fiscal Year 2019, increasing 2%. Additionally, Sales tax had an increase of 8% in Fiscal Year 2019. The Sales tax increase is directly related to the increased retail establishments and construction within the City limits. Most other revenue remained relatively the same.
- **Business-Type Activities:** Of the \$598,361,922 total net position, the Greenville Utilities Commission has net position of \$394,456,066, or 66% as of June 30, 2019. Of this amount, \$111,488,276 (unrestricted net position) may be used to meet the Commission's ongoing obligations to its customers and creditors. This represents an unrestricted fund balance of 46% of total Commission expenses for the fiscal year. Overall, business-type activities increased the City of Greenville's net position by \$23,076,888, of which the Commission contributes 84% of that change. Operating revenues for GUC increased by \$4,588,998 or 1.8% and total revenues increased by \$5,977,324 or 2.3%. Operating revenues for Electric increased \$4,794,927 or 2.9% due to market factors. Operating revenues for natural gas decreased \$2,258,866 or 6.5% due to market factors and a warmer than average winter. During the year the Water Fund's operating revenues increased \$1,711,969 or 9.7% and the Sewer fund's operating revenues increased by \$854,470 or 4.1%.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

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

The General Fund is the chief operating fund of the City of Greenville. At the end of the current fiscal year, available fund balance of the General Fund was \$12,376,619, while total fund balance was \$23,953,440. As a measure of the General Fund's liquidity, it may be useful to compare both available fund balance and total fund balance to total fund expenditures (including transfers out). Available fund balance represents 15% of total General Fund expenditures, while total fund balance represents 29% of that same amount. The Council for the City has determined that the City shall maintain an unassigned balance of 14% of General Fund expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the City. As of June 30, 2019, the governmental funds of the City of Greenville reported a combined fund balance of \$40,473,775 which is a 7.9% decrease from prior year.

General Fund Budgetary Highlights: During the fiscal year, the City revised the budget on a monthly basis. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund budget increased revenues and other financing sources by \$1,216,225. When compared to the adjustments proposed last year, this is a 96% decrease. The decrease is due to the City appropriating available fund balance for capital projects in FY 2018.

CITY OF GREENVILLE, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

The General Fund's operational revenues exceeded expenditures by \$6,703,719 (before other financing sources). General Fund total revenues increased 4.1%. Operational expenditures increased \$416,647, or less than 1%. Inclusive of other financing sources and uses, General Fund revenues exceeded expenditures by \$1,054,653, increasing \$9,576,950 from FY 2018's net result.

While the budget amendments for the year amounted to approximately \$1,216,225, actual operating revenues remained within budget by a 1% margin. As mentioned previously, in operational income, Sales tax and Utilities Franchise tax show increases during the current year due to an economic impact for the sales tax, and a change in State formula for the Utilities Franchise tax

General Fund expenditures decreased 7.3% in comparison to the prior year with most expenditure category variances being less than 5%. The reduction was driven by a decrease in transfers to capital project funds.

Proprietary Funds: The City of Greenville's proprietary funds provide the same type of information found in the business-type activities of the government-wide statements but in more detail. Other factors concerning the finances of these two funds have already been addressed in the discussion of the City of Greenville's business-type activities.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The City of Greenville's investment in capital assets for its governmental and business-type activities as of June 30, 2019, totals \$461,786,906 (net of accumulated depreciation). These assets include buildings, roads and bridges, land, machinery and equipment, park facilities, and vehicles.

Major capital asset events for the City during the year include the following:

- Town Creek Culvert - \$12.1M
- Street Resurfacing - \$3.7 M

Utilities Commission major capital asset events included:

- Investment in a new operations center totaling \$6,728,871
- Electric transmission lines extensions and improvements totaling \$324,810
- Electric transmission substation improvements totaling \$2,596,729
- Electric overhead distribution lines extensions and improvements totaling \$1,103,133
- Electric underground distribution lines extensions and improvements totaling \$5,025,745
- Electric street and area light installations and replacements totaling \$1,004,845
- Water treatment plant improvements totaling \$2,098,076
- Water main improvements and extensions totaling \$981,407
- Wastewater treatment plant improvements totaling \$435,789
- Sewer pumping stations improvements totaling \$996,236
- Sewer main extensions and improvements totaling \$889,674
- Natural gas main improvements and extensions totaling \$1,158,815
- Natural gas main metering station improvements totaling \$498,883

CITY OF GREENVILLE, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS

Additional information on the City's capital assets can be found in Note III.A.4. to the financial statements of this report.

City of Greenville's Capital Assets
Figure 4

	Government Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 42,137,413	\$ 41,772,725	\$ 8,375,720	\$ 8,375,720	\$ 50,513,133	\$ 50,148,445
Right-of-Way Easement	10,732,117	9,123,917	584,662	119,567	11,316,779	9,243,484
Construction in Progress	32,468,175	26,495,640	40,052,938	29,724,827	72,521,113	56,220,467
Buildings/Plants	69,203,177	69,725,325	185,558,373	182,190,055	254,761,550	251,915,380
Other Improvements	6,342,266	6,835,970	3,562,298	3,562,298	9,904,564	10,398,268
Intangible	2,022,400	4,202,398	32,809,859	32,798,763	34,832,259	37,001,161
Infrastructure	96,209,621	90,981,943	11,992,538	10,985,865	108,202,159	101,967,808
Machinery and Equipment	21,011,208	20,982,323	4,338,719	4,094,465	25,349,927	25,076,788
Vehicles and Equipment	36,340,337	33,190,228	35,712,812	32,585,593	72,053,149	65,775,821
Distribution Systems	-	-	475,042,385	458,324,815	475,042,385	458,324,815
Transmission Systems	-	-	42,832,321	33,300,938	42,832,321	33,300,938
Subtotal	316,466,714	303,310,469	840,862,625	796,062,906	1,157,329,339	1,099,373,375
Accumulated Depreciation	(116,090,996)	(112,891,835)	(412,862,096)	(390,908,509)	(528,953,092)	(503,800,344)
Capital assets, net	<u>\$ 200,375,718</u>	<u>\$ 190,418,634</u>	<u>\$ 428,000,529</u>	<u>\$ 405,154,397</u>	<u>\$ 628,376,247</u>	<u>\$ 595,573,031</u>

Long-Term Debt: As of June 30, 2019, the City of Greenville had total debt outstanding of \$224,032,287 excluding compensated absences, Local Governmental Employees' Retirement System (LGERS), Other Post-Employment Benefits (OPEB), and Law Enforcement Officers' (LEO) Separation Allowance. Of this, \$33,109,020 is debt government backed by the full faith and credit of the City. The remainder of the City's debt represents bonds secured by fees collected by the enterprise funds.

CITY OF GREENVILLE, NORTH CAROLINA
MANAGEMENT’S DISCUSSION AND ANALYSIS

City of Greenville’s Outstanding Debt
General Obligation and Revenue Bonds
Figure 5

	Government Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
General Obligation Bonds	\$ 13,504,016	\$ 14,665,546	\$ 2,739,371	\$ 3,114,454	\$ 16,243,387	\$ 17,780,000
Special Obligation (Revenue) Bonds	4,880,000	5,435,000	117,953,000	78,406,800	122,833,000	83,841,800
Installment Purchase Contracts	14,725,004	16,339,148	487,145	642,011	15,212,149	16,981,159
Other Debt (GUC)	-	-	69,743,751	47,986,686	69,743,751	47,986,686
Total	\$ 33,109,020	\$ 36,439,694	\$ 190,923,267	\$ 130,149,951	\$ 224,032,287	\$ 166,589,645

- Total net debt (excluding compensated absences, Local Governmental Employees’ Retirement System (LGERS), Other Post-Employment Benefits (OPEB), and Law Enforcement Officers’ (LEO) Separation Allowance) has increased by \$57,442,642 during the current fiscal year. The City’s total debt increased by \$12,458,611 during the current fiscal year.
- As previously mentioned, as of June 30, 2019 the City maintained strong bond ratings with Standard and Poor’s and Moody’s, of AA and Aa2, respectively. The City of Greenville is one of a select few cities in eastern North Carolina that maintains this high financial rating from both major rating agencies. This achievement was a primary factor in keeping interest costs low on the City’s outstanding debt. The Commission maintains bond ratings of Aa2 with a stable outlook from Moody’s Investors Services and AA- with a stable outlook from Fitch Ratings.

North Carolina General Statutes restrict the amount of general obligation debt that a unit of government can issue to eight percent of the total assessed value of taxable property located within that units boundaries. The legal debt margin for the City of Greenville is approximately \$340M. The City has authorized, but unissued, \$7,850,000 of debt as of June 30, 2019.

Additional information regarding the City of Greenville’s long-term debt can be found in Note III.B.6 and III.B.7 to the financial statements of this report.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

Budgeting for fiscal year 2020 continues to show the rising revenues from Sales and Property Taxes. The City has grown from a population of 84,554 in 2010 to 93,107, which represents an increase of 9%.

Eastern North Carolina has been and continues to be challenged economically as it transitions from a strong agricultural economy to the service/information environment that is apparent today. As the heart of Eastern North Carolina, the Greenville area is the center of a hardy economic hub. The Greenville area provides economic opportunity throughout our surrounding counties in such areas as medical and health services, education, recreational and cultural offerings, as well as others. Even so, the City of Greenville is continuing to emerge from the effects of the worst recession in our history—a recovery that has been slower than anticipated. Recovery for local governments normally lags behind the private sector. Although staff is seeing some hopeful indicators in certain revenues, the budget maintains current service levels and provides a very limited number of new programs and capital projects to move the City forward.

CITY OF GREENVILLE, NORTH CAROLINA MANAGEMENT'S DISCUSSION AND ANALYSIS

The City continues to face challenges posed by the economy, declining State support for City services, and limited revenue enhancements. For FY 2020, the budget process continued to take a more detailed look at revenue projections and the amount of appropriations remaining in departmental budgets at the close of the fiscal year. Revenues for FY 2020 have been increased based on current trends. At a \$.52 rate, property tax revenues are anticipated to generate roughly 40% of the total General Fund revenues, or \$34,306,950. With the Tag and Tax program being administered by the State, the City has seen an increase in monthly revenues. Collections are now significantly closer to 100% as opposed to prior collection rates in the 80% range. Additionally, sales tax revenues are projected increase 4.8% from the FY 2019 collections due to the increased construction throughout the City.

The Utilities Commission service area includes a diverse local economy including a solid manufacturing base, the 3rd largest university in the state and an 861 bed teaching hospital. The Utilities Commission provides services in the Greenville metropolitan statistical area which continues to expand and is experiencing increasing employment and rising wages for workers. The City's share of the Utilities Franchise Tax is based primarily on the actual receipts from electric service sold within the municipality. The amount estimated for the FY 2020 budget is \$7,100,000.

BUDGET HIGHLIGHTS FOR THE FISCAL YEAR ENDING JUNE 30, 2020

Governmental Activities: The General Fund is the City's primary general government operating fund and is budgeted at \$85,687,681 for FY 2020, a 1% increase when compared to the prior year's adopted amount of \$84,993,936. There is no denying that although the economy continues to show some signs of recovery, management had to approach the fiscal year 2020 budget with the same caution as the previous year. Some of the considerations/strategies that were used are as follows:

- Continued emphasis on capital investments and infrastructure improvements
- Strategically shifting existing resources to the most urgent priorities throughout the year

Below is a forecast for major sources of the City's General Fund revenues. The following sources make up approximately 70% of the revenue stream:

- **Property Taxes**
 - The approved FY 2020 Plan included property tax revenues of \$34,306,950. This represents modest growth from the prior year due to population growth. While maintaining the \$.52 rate will not change our relative position among the top 15 cities in the state in regards to the property tax rankings, it should be noted that on a per capita basis, Greenville's tax base is not as robust as other communities, producing only \$6.93 on a per capita basis.
- **Sales Tax**
 - This revenue source is projected to generate 23% of total General Fund revenues in FY 2020. Sales Tax is historically difficult to project because it is a State-collected and distributed revenue. Changes in the distribution formula, distribution errors that required repayment, and variations in the timing of refunds and reallocations prevent prior years from being reliable indicators of future year distributions. For the FY 2020 budget, sales tax revenues are projected to be \$20,404,423. Improvements in the economy have continued to impact sales tax with the FY 2020 adopted budget anticipating 4.8% growth in revenue. These numbers can be highly impacted by local construction and other factors. Thus, for the FY 2020 budget, a conservative approach has been chosen.

CITY OF GREENVILLE, NORTH CAROLINA

MANAGEMENT’S DISCUSSION AND ANALYSIS

- **Utilities Franchise Tax**

- What has commonly been referred to as the Utilities Franchise Tax has now been changed to a sales tax on electricity, a sales tax on piped natural gas, and a sales tax on telecommunications. FY 2015 marked the first year of a new distribution method for the sales tax on electricity and piped natural gas. The general sales tax rate is now applied to the sale of both electricity and natural gas, and a percentage of the proceeds are returned to cities and towns. In the case of electricity, that percentage is 44% and for natural gas it is 20%. No additional changes were made to the telecommunication portion of the revenue source.

Utilities Franchise Tax is budgeted at \$7,100,000, which is \$100,000 or 1.4% higher than the Plan that was approved a year ago.

- **Appropriated Fund Balance**

- The final revenue source that should be noted is appropriated fund balance. The FY 2020 budget includes \$968,000 appropriated within the General Fund of which \$318,000 is Powell Bill, in order to complete various road projects and to move forward with the next round of road refurbishments.

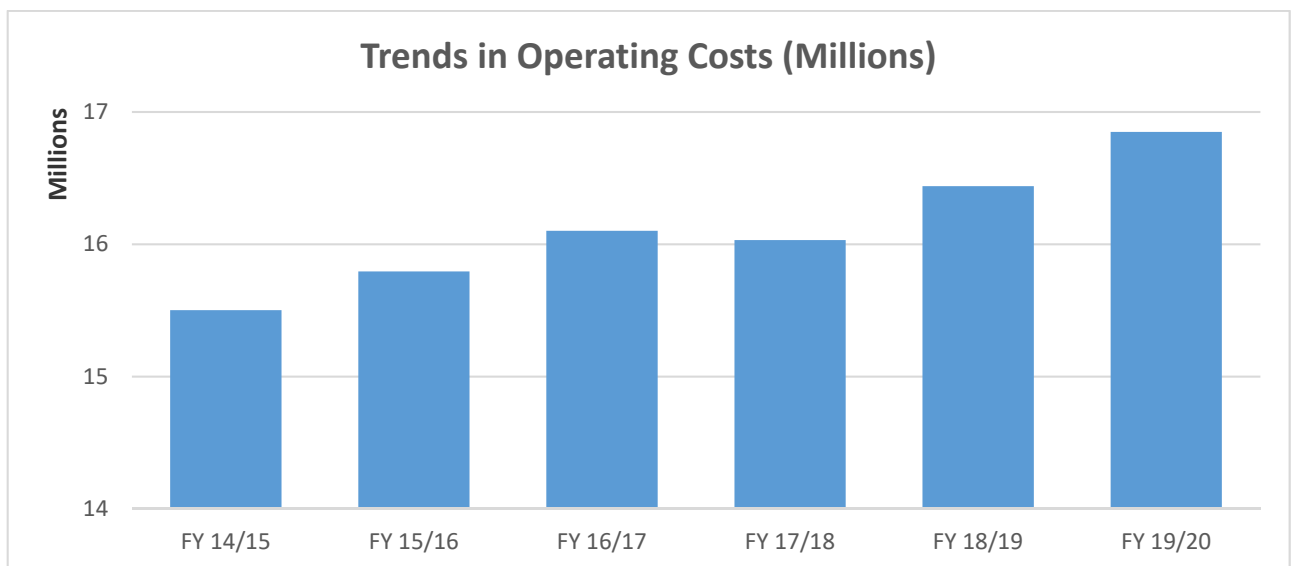
Below are highlights of the City’s General Fund expenditures:

- **Personnel**

In the adopted FY 2020 budget, personnel costs (including salaries and fringe benefits) make up almost 62% of the total budget. This budget includes a 2.05% market adjustment for all City employees. The projected personnel budget for FY 2020 is \$55.3 million, a \$902,519 increase over the FY 2019 budgeted amount.

- **Operations**

This category makes up 19.7% of the total budget and represents an increase of 2.2% from FY 2019. For FY 2020, Operating Costs are budgeted at \$16,849,524.



CITY OF GREENVILLE, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

Business-Type Activities: As previously mentioned, the largest component in the City's business-type activities is held by the Greenville Utilities Commission (GUC). The Utilities Commission service area includes a diverse local economy including a solid manufacturing base, the 3rd largest university in the state and an 861 bed teaching hospital. The Utilities Commission provides services in the Greenville metropolitan statistical area. Greenville is the 10th largest city in North Carolina and is the major hub for the 29 counties in eastern North Carolina. The Utilities Commission serves approximately 75% of the county and the service area continues to expand. Unemployment for the county is 5.6% and is expected to decrease in the upcoming year. The Utilities Commission's budget for fiscal year 2020 was developed anticipating continuing customer growth, a strong local economy and a mix of residential, commercial and industrial customers. Capital outlay investments are increasing compared to the previous year's budget reflecting the Commission's goal to be the regional utility provider of choice.

- Annual turnover or transfer of \$6,639,369 to the City of Greenville in accordance with the Charter issued by the North Carolina General Assembly

Activity from the minor Business-Type Activities includes the following:

- **Stormwater Fund Fee Increase**
The Stormwater Utility is an enterprise fund established to implement the City's Stormwater Management Program. Revenues are generated through a stormwater fee to support program efforts. In 2013, staff worked to develop a plan to address stormwater needs citywide. This approach included basin modeling which is currently underway, a significant investment in the Town Creek Culvert, and increasing the stormwater fees over multiple years to fund the numerous system needs. The stormwater plan was developed to address stormwater needs citywide. The stormwater utility fees are projected to generate revenues of \$5,941,000.

REQUESTS FOR INFORMATION

This report is designed to provide an overview of the City'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 emailed directly to Byron Hayes, the Director of Financial Services at bhayes@greenvillenc.gov.



Basic Financial Statements

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2019



CITY OF GREENVILLE, NORTH CAROLINA
STATEMENT OF NET POSITION

Exhibit A

JUNE 30, 2019

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and investments	\$ 38,393,662	\$ 135,346,280	\$ 173,739,942
Taxes receivable, net	179,516	-	179,516
Accounts receivable, net	7,325,083	45,931,528	53,256,611
Interest receivable	342	-	342
Due from other governments	4,848,637	3,209,351	8,057,988
Inventories	14,566	8,718,615	8,733,181
Prepaid items	328,093	274,128	602,221
Internal balances	440,254	(440,254)	-
Restricted cash and investments	10,117,078	60,721,561	70,838,639
Notes receivable	-	267,633	267,633
Investment in joint venture	27,628,003	-	27,628,003
Capital assets:			
Non-depreciable	85,337,706	49,013,320	134,351,026
Depreciable, net	<u>115,038,015</u>	<u>378,987,209</u>	<u>494,025,224</u>
Total assets	<u>289,650,955</u>	<u>682,029,371</u>	<u>971,680,326</u>
Deferred Outflows of Resources:			
Pension deferrals	11,307,696	9,824,904	21,132,600
OPEB deferrals	1,442,245	10,448,006	11,890,251
Unamortized bond refunding charges	<u>635,504</u>	<u>1,673,589</u>	<u>2,309,093</u>
Total deferred outflows of resources	<u>13,385,445</u>	<u>21,946,499</u>	<u>35,331,944</u>
Liabilities:			
Accounts payable and accrued liabilities	4,731,556	23,672,875	28,404,431
Accrued interest payable	104,551	1,033,140	1,137,691
Other liabilities	1,035,137	-	1,035,137
Advances from grantors	198,714	-	198,714
Unearned revenue	-	192,410	192,410
Liabilities payable from restricted assets:			
Accounts payable and accrued liabilities	981,661	-	981,661
Customer deposits	-	4,595,170	4,595,170
Long-term liabilities:			
Due within one year	6,441,192	9,404,319	15,845,511
Due in more than one year	<u>95,672,608</u>	<u>247,375,473</u>	<u>343,048,081</u>
Total liabilities	<u>109,165,419</u>	<u>286,273,387</u>	<u>395,438,806</u>
Deferred Inflows of Resources:			
Pension deferrals	1,180,558	122,295	1,302,853
OPEB deferrals	5,738,248	6,170,357	11,908,605
Prepaid taxes	<u>84</u>	<u>-</u>	<u>84</u>
Total deferred inflows of resources	<u>6,918,890</u>	<u>6,292,652</u>	<u>13,211,542</u>
Net Position:			
Net investment in capital assets	171,216,050	290,552,856	461,768,906
Restricted for:			
Stabilization by State statute	14,885,229	-	14,885,229
Restricted for streets	702,296	-	702,296
General government	108,208	-	108,208
Economic development	1,124,265	-	1,124,265
Public safety	148,920	-	148,920
Debt Service	1,302,562	-	1,302,562
Insurance	3,234,189	-	3,234,189
Unrestricted	<u>(5,769,628)</u>	<u>120,856,975</u>	<u>115,087,347</u>
Total net position	<u>\$ 186,952,091</u>	<u>\$ 411,409,831</u>	<u>\$ 598,361,922</u>

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

CITY OF GREENVILLE, NORTH CAROLINA
STATEMENT OF ACTIVITIES

Exhibit B

YEAR ENDED JUNE 30, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
General government	\$ 29,324,390	\$ 5,474,023	\$ 505,596	\$ -	\$ (23,344,771)	\$ -	\$ (23,344,771)
Public safety	27,550,574	5,045,215	46,047	-	(22,459,312)	-	(22,459,312)
Transportation	10,309,377	136,147	-	2,180,451	(7,992,779)	-	(7,992,779)
Environmental protection	1,229,488	-	-	-	(1,229,488)	-	(1,229,488)
Cultural and recreational	9,392,847	1,070,171	1,064,852	4,171,367	(3,086,457)	-	(3,086,457)
Economic and physical development	10,373,498	-	1,400,329	2,422,901	(6,550,268)	-	(6,550,268)
Interest and fees	1,112,954	-	-	-	(1,112,954)	-	(1,112,954)
Total governmental activities	<u>89,293,128</u>	<u>11,725,556</u>	<u>3,016,824</u>	<u>8,774,719</u>	<u>(65,776,029)</u>	<u>-</u>	<u>(65,776,029)</u>
Business-Type Activities:							
Electric	168,797,235	179,229,874	-	-	-	10,432,639	10,432,639
Water	19,298,173	22,203,056	-	831,471	-	3,736,354	3,736,354
Sewer	21,502,927	25,186,770	-	996,050	-	4,679,893	4,679,893
Gas	32,532,222	36,202,429	-	-	-	3,670,207	3,670,207
Public transportation	3,018,862	293,140	3,149,231	-	-	423,509	423,509
Stormwater utility	4,709,366	6,152,671	-	923,433	-	2,366,738	2,366,738
Sanitation	7,385,565	7,790,274	-	-	-	404,709	404,709
Total business-type activities	<u>257,244,350</u>	<u>277,058,214</u>	<u>3,149,231</u>	<u>2,750,954</u>	<u>-</u>	<u>25,714,049</u>	<u>25,714,049</u>
Total primary government	<u>\$ 346,537,478</u>	<u>\$ 288,783,770</u>	<u>\$ 6,166,055</u>	<u>\$ 11,525,673</u>	<u>(65,776,029)</u>	<u>25,714,049</u>	<u>(40,061,980)</u>
General Revenues:							
Ad valorem taxes					34,884,210	-	34,884,210
Sales and use taxes					16,330,857	-	16,330,857
Cable TV franchise tax					834,988	-	834,988
Medicaid hold harmless payment					4,405,401	-	4,405,401
Rental vehicle, gross receipts					172,414	-	172,414
Utilities franchise tax					6,948,992	-	6,948,992
Beer and wine tax					392,373	-	392,373
Other taxes and licenses					1,388,533	-	1,388,533
Investment earnings					<u>7,426,866</u>	<u>3,558,759</u>	<u>10,985,625</u>
Total general revenues					<u>72,784,634</u>	<u>3,558,759</u>	<u>76,343,393</u>
Transfers					<u>6,195,920</u>	<u>(6,195,920)</u>	<u>-</u>
Total general revenues and transfers					<u>78,980,554</u>	<u>(2,637,161)</u>	<u>76,343,393</u>
Change in net position					13,204,525	23,076,888	36,281,413
Net position, beginning of year					<u>173,747,566</u>	<u>388,332,943</u>	<u>562,080,509</u>
Net position, end of year					<u>\$ 186,952,091</u>	<u>\$ 411,409,831</u>	<u>\$ 598,361,922</u>

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

CITY OF GREENVILLE, NORTH CAROLINA
GOVERNMENTAL FUNDS
BALANCE SHEET

Exhibit C

JUNE 30, 2019

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:			
Cash and cash equivalents	\$ 18,298,574	\$ 11,848,132	\$ 30,146,706
Taxes receivable, net	179,516	-	179,516
Accounts receivable, net	3,380,582	3,906,816	7,287,398
Interest receivable	-	342	342
Due from other funds	2,598,601	99,714	2,698,315
Due from other governments	4,760,067	87,570	4,847,637
Inventories	14,566	-	14,566
Prepaid items	38,750	75,211	113,961
Restricted cash and investments	1,245,700	5,637,189	6,882,889
Total assets	\$ 30,516,356	\$ 21,654,974	\$ 52,171,330
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable and accrued liabilities	\$ 2,043,264	\$ 195,000	\$ 2,238,264
Due to other funds	-	1,236,259	1,236,259
Advances from grantors	-	198,714	198,714
Other liabilities	1,035,137	-	1,035,137
Restricted accounts payable and accrued liabilities	-	981,661	981,661
Total liabilities	3,078,401	2,611,634	5,690,035
Deferred Inflows of Resources:			
Property taxes receivable	179,391	-	179,391
Prepaid property taxes	84	-	84
Other receivables	3,305,040	2,523,005	5,828,045
Total deferred inflows of resources	3,484,515	2,523,005	6,007,520
Fund Balances:			
Nonspendable:			
Prepaid items and inventories	53,316	75,211	128,527
Loans receivable	14,700	-	14,700
Restricted:			
Stabilization by State statute	8,067,547	6,817,682	14,885,229
Restricted for general government	108,208	-	108,208
Restricted for streets	702,296	-	702,296
Restricted for public safety	435,196	-	435,196
Restricted for economic development	-	4,151,834	4,151,834
Restricted for debt service	-	1,302,562	1,302,562
Restricted for donations	-	182,793	182,793
Restricted for loans receivable	-	301,795	301,795
Committed:			
Committed for catastrophic losses	2,195,558	-	2,195,558
Committed for general government	-	211,170	211,170
Committed for culture and recreational	-	878,323	878,323
Committed for public safety	-	495,243	495,243
Committed for economic development	-	1,070,726	1,070,726
Committed for capital outlay	-	5,852,511	5,852,511
Assigned:			
Assigned for subsequent year's expenditures	650,000	40,172	690,172
Assigned for cultural and recreational	-	768,419	768,419
Unassigned	11,726,619	(5,628,106)	6,098,513
Total fund balance	<u>23,953,440</u>	<u>16,520,335</u>	<u>40,473,775</u>
Total liabilities, deferred inflows of resources, and fund balances	\$ 30,516,356	\$ 21,654,974	\$ 52,171,330

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

CITY OF GREENVILLE, NORTH CAROLINA
GOVERNMENTAL FUNDS
BALANCE SHEET

Exhibit C

JUNE 30, 2019

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

Ending fund balance - governmental funds	\$ 40,473,775
Capital assets used in governmental activities are not financial and, therefore, are not reported in the funds.	183,443,594
Investment in joint venture reported in governmental activities is not reported in the funds.	27,628,003
Net LGERS pension liability is not reported in the funds.	(13,382,224)
Deferred outflows of resources related to pensions are not reported in the funds	11,002,398
Deferred outflows of resources related to OPEB are not reported in the funds	1,396,844
Other long-term assets are not available to pay for current expenditures and, therefore, are deferred outflows of resources.	6,007,436
Assets and liabilities of the Internal Service Funds used by management to account for health, vehicle, and fleet maintenance costs are included in governmental activities in the Statement of Net Position.	23,595,585
Long-term liabilities and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(36,577,526)
Total LEOSSA Pension Liabilities	(7,938,326)
Net OPEB Liability	(42,509,130)
Deferred inflows of resources related to pensions are not reported in the funds.	(1,161,681)
Deferred inflows of resources related to OPEB are not reported in the funds.	(5,557,610)
Deferred charges on refunding reported in governmental activities are not reported in the funds.	635,504
Other long-term liabilities (accrued interest) are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(104,551)</u>
Net position of governmental activities	<u>\$ 186,952,091</u>

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

CITY OF GREENVILLE, NORTH CAROLINA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

Exhibit D

YEAR ENDED JUNE 30, 2019

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:			
Ad valorem taxes	\$ 34,739,626	\$ -	\$ 34,739,626
Other taxes	21,743,660	1,320,588	23,064,248
Unrestricted intergovernmental	7,409,310	-	7,409,310
Restricted intergovernmental	2,837,037	4,301,993	7,139,030
Licenses, permits, and fees	2,972,677	-	2,972,677
Sales and services	5,717,622	-	5,717,622
Investment earnings	1,719,765	112,423	1,832,188
Other revenues	981,070	543,490	1,524,560
Restricted other revenues	-	27,452	27,452
Total revenues	<u>78,120,767</u>	<u>6,305,946</u>	<u>84,426,713</u>
Expenditures:			
Current:			
General government	10,676,970	668,254	11,345,224
Public safety	40,023,938	1,306,358	41,330,296
Public works	10,854,375	897,517	11,751,892
Environmental protection	-	1,229,488	1,229,488
Cultural and recreational	7,014,081	3,495,359	10,509,440
Economic and physical development	2,847,684	9,018,503	11,866,187
Debt Service:			
Principal retirement	-	4,291,840	4,291,840
Interest and fees	-	1,023,228	1,023,228
Total expenditures	<u>71,417,048</u>	<u>21,930,547</u>	<u>93,347,595</u>
Revenues over (under) expenditures	<u>6,703,719</u>	<u>(15,624,601)</u>	<u>(8,920,882)</u>
Other Financing Sources (Uses):			
Transfers from other funds	6,717,814	10,514,164	17,231,978
Transfers to other funds	(12,366,880)	(410,178)	(12,777,058)
Long-term debt issued	-	962,778	962,778
Total other financing sources (uses)	<u>(5,649,066)</u>	<u>11,066,764</u>	<u>5,417,698</u>
Net change in fund balance	1,054,653	(4,557,837)	(3,503,184)
Fund Balance:			
Fund balance, beginning of year – July 1	<u>22,898,787</u>	<u>21,078,172</u>	<u>43,976,959</u>
Fund balance, end of year – June 30	<u>\$ 23,953,440</u>	<u>\$ 16,520,335</u>	<u>\$ 40,473,775</u>

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

GOVERNMENTAL FUNDS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2019

Amounts reported for governmental activities in the Statement of Activities (Exhibit B)
are different due to the following items:

Net change in fund balances - total governmental funds	\$ (3,503,184)
Capital outlays are reported as expenditures in the governmental fund statement. However, in the Statement of Activities, capital outlay is not an expense, rather it is an increase in capital assets.	7,212,983
Other capital contributions are not reported in the governmental fund statement.	4,171,367
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(5,720,102)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds. This adjustment represents the amount of change related to revenues to the "availability" criteria.	1,115,361
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Compensated absences	47,369
Pension expense	(3,283,380)
OPEB plan expense	(3,860,307)
Employer contributions	2,640,591
Contributions to the pension plan in the current fiscal year are not included in the Statement of Activities.	1,942,604
Benefit payments paid and administrative expense for the Law Enforcement Officers' Special Separation Allowance, net of related deferred inflows are not included on the Statement of Activities.	257,899
Accrued interest expense reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.	(4,473)
Principal repayments on long-term debt are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, these transactions are not an expense, rather they are a decrease in liabilities.	4,291,840
Loss on disposal of capital assets is reported in the Statement of Activities but not the funds statement.	(24,662)
Deferred charges on refunding reported in governmental activities are not reported in the funds.	(120,061)
Changes in the investment in joint venture asset is reported as investment income in the entity-wide financial statements but not reported in the governmental funds.	5,594,678
The Internal Service Funds are used by management to charge the costs of health, vehicle, and fleet maintenance. The net revenue of the Internal Service Funds is determined to be governmental-type.	<u>2,446,002</u>
Changes in net position of governmental activities	<u>\$ 13,204,525</u>

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

CITY OF GREENVILLE, NORTH CAROLINA

Exhibit F

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2019

	General Fund			
	Budget		Actual Amounts	Variance Positive/ Negative
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 35,231,023	\$ 35,231,023	\$ 34,739,626	\$ (491,397)
Other taxes	20,484,996	20,484,996	21,743,660	1,258,664
Unrestricted intergovernmental	7,492,543	7,492,543	7,409,310	(83,233)
Restricted intergovernmental	3,560,500	3,057,500	2,837,037	(220,463)
Licenses, permits, and fees	2,936,311	2,938,371	2,972,677	34,306
Sales and services	5,756,227	5,757,597	5,717,622	(39,975)
Investment earnings	500,000	500,000	1,719,765	1,219,765
Other revenues	834,839	844,839	981,070	136,231
Total revenues	<u>76,796,439</u>	<u>76,306,869</u>	<u>78,120,767</u>	<u>1,813,898</u>
Expenditures:				
Current:				
General government	10,849,512	10,893,591	10,676,970	216,621
Public safety	40,646,185	40,677,448	40,023,938	653,510
Public works	10,415,469	10,976,759	10,854,375	122,384
Cultural and recreational	7,237,246	7,358,545	7,014,081	344,464
Economic and physical development	<u>2,848,070</u>	<u>3,080,906</u>	<u>2,847,684</u>	<u>233,222</u>
Total expenditures	<u>71,996,482</u>	<u>72,987,249</u>	<u>71,417,048</u>	<u>1,570,201</u>
Revenues over (under) expenditures	<u>4,799,957</u>	<u>3,319,620</u>	<u>6,703,719</u>	<u>3,384,099</u>
Other Financing Sources (Uses):				
Transfers from other funds	6,691,792	6,761,792	6,717,814	(43,978)
Transfers to other funds	(12,731,684)	(12,366,880)	(12,366,880)	-
Contingency	(140,000)	(4,800)	-	4,800
Appropriated fund balance	<u>1,379,935</u>	<u>2,290,268</u>	<u>-</u>	<u>(2,290,268)</u>
Total other financing sources (uses)	<u>(4,799,957)</u>	<u>(3,319,620)</u>	<u>(5,649,066)</u>	<u>(2,329,446)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>1,054,653</u>	<u>\$ 1,054,653</u>
Fund Balance:				
Fund balance, beginning of year – July 1			<u>22,898,787</u>	
Fund balance, end of year – June 30			<u>\$ 23,953,440</u>	

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

CITY OF GREENVILLE, NORTH CAROLINA
PROPRIETARY FUNDS
STATEMENT OF FUND NET POSITION

Exhibit G

JUNE 30, 2019

	Major Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Gas Fund
Assets:				
Current Assets:				
Cash and cash equivalents	\$ 45,279,821	\$ 4,354,402	\$ 9,752,765	\$ 14,770,811
Accounts receivable, net	21,353,378	2,979,781	3,212,392	2,786,813
Due from other governments	1,784,504	387,672	471,382	294,124
Due from other funds	-	-	-	-
Inventories	6,799,941	1,021,203	226,649	670,822
Restricted cash	3,352,457	780,664	1,480	460,569
Prepaid items	197,093	18,036	17,701	28,948
Total current assets	78,767,194	9,541,758	13,682,369	19,012,087
Noncurrent Assets:				
Cash and cash equivalents, restricted	28,023,145	11,457,670	10,464,593	6,180,983
Investments	34,196,365	4,962,108	8,378,026	10,711,602
Notes receivable	-	267,633	-	-
Land improvements and construction in progress	12,956,255	6,790,340	11,398,168	3,061,723
Other capital assets, net	103,520,175	83,696,406	137,368,900	42,626,361
Total noncurrent assets	178,695,940	107,174,157	167,609,687	62,580,669
Total assets	257,463,134	116,715,915	181,292,056	81,592,756
Deferred Outflows of Resources:				
Pension deferrals	3,618,150	1,941,446	1,853,199	1,411,961
OPEB deferrals	4,226,412	2,267,831	2,164,748	1,649,331
Unamortized bond refunding charges	423,857	556,516	538,594	93,152
Total deferred outflows of resources	8,268,419	4,765,793	4,556,541	3,154,444
Liabilities:				
Current Liabilities:				
Accounts payable and accrued expenses	15,970,530	1,295,285	1,071,810	1,707,496
Accrued interest payable	398,117	174,071	316,068	144,884
Due to other funds	100,665	133,292	90,725	16,805
Unearned revenue	-	71,450	120,960	-
Current portion of compensated absences	792,361	393,117	362,240	333,033
Current maturities of long-term debt	1,350,098	997,319	3,927,485	578,747
Liabilities Payable from Restricted Assets:				
Customer deposits	3,352,457	780,664	1,480	460,569
Total current liabilities	21,964,228	3,845,198	5,890,768	3,241,534
Noncurrent Liabilities:				
Compensated absences payable	172,100	105,828	81,183	118,394
Net pension liability	4,498,067	2,413,597	2,303,888	1,755,343
Net OPEB liability	19,174,718	10,288,874	9,821,197	7,482,817
Noncurrent portion of long-term debt	64,453,271	26,560,554	52,812,657	20,697,386
Total noncurrent liabilities	88,298,156	39,368,853	65,018,925	30,053,940
Total liabilities	110,262,384	43,214,051	70,909,693	33,295,474
Deferred Inflows of Resources:				
Pension deferrals	23,285	12,494	11,927	9,087
OPEB deferrals	2,301,985	1,235,211	1,179,065	898,336
Total deferred inflows of resources	2,325,270	1,247,705	1,190,992	907,423
Net Position:				
Net investment in capital assets	79,120,063	72,686,171	100,475,470	30,686,086
Unrestricted	74,023,836	4,333,781	13,272,442	19,858,217
Total net position	\$ 153,143,899	\$ 77,019,952	\$ 113,747,912	\$ 50,544,303

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

CITY OF GREENVILLE, NORTH CAROLINA
PROPRIETARY FUNDS
STATEMENT OF FUND NET POSITION

Exhibit G

JUNE 30, 2019

	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Assets:			
Current Assets:			
Cash and cash equivalents	\$ 2,940,380	\$ 77,098,179	\$ 8,246,956
Accounts receivable, net	15,599,164	45,931,528	37,685
Due from other governments	271,669	3,209,351	1,000
Due from other funds	-	-	53,743
Inventories	-	8,718,615	-
Restricted cash	-	4,595,170	3,234,189
Prepaid items	12,350	274,128	214,132
Total current assets	<u>18,823,563</u>	<u>139,826,971</u>	<u>11,787,705</u>
Noncurrent Assets:			
Cash and cash equivalents, restricted	-	56,126,391	-
Investments	-	58,248,101	-
Notes receivable	-	267,633	-
Land improvements and construction in progress	14,806,834	49,013,320	2,591,340
Other capital assets, net	11,775,367	378,987,209	14,340,787
Total noncurrent assets	<u>26,582,201</u>	<u>542,642,654</u>	<u>16,932,127</u>
Total assets	<u>45,405,764</u>	<u>682,469,625</u>	<u>28,719,832</u>
Deferred Outflows of Resources:			
Pension deferrals	1,000,148	9,824,904	305,298
OPEB deferrals	139,684	10,448,006	45,401
Unamortized bond refunding charges	61,470	1,673,589	-
Total deferred outflows of resources	<u>1,201,302</u>	<u>21,946,499</u>	<u>350,699</u>
Liabilities:			
Current Liabilities:			
Accounts payable and accrued expenses	3,627,754	23,672,875	2,493,292
Accrued interest payable	-	1,033,140	-
Due to other funds	98,767	440,254	1,075,545
Unearned revenue	-	192,410	-
Current portion of compensated absences	145,388	2,026,139	-
Current maturities of long-term debt	524,531	7,378,180	-
Liabilities Payable from Restricted Assets:			
Customer deposits	-	4,595,170	-
Total current liabilities	<u>4,396,440</u>	<u>39,338,168</u>	<u>3,568,837</u>
Noncurrent Liabilities:			
Compensated absences payable	62,579	540,084	-
Net pension liability	1,297,119	12,268,014	394,756
Net OPEB liability	4,254,682	51,022,288	1,311,838
Noncurrent portion of long-term debt	19,021,219	183,545,087	-
Total noncurrent liabilities	<u>24,635,599</u>	<u>247,375,473</u>	<u>1,706,594</u>
Total liabilities	<u>29,032,039</u>	<u>286,713,641</u>	<u>5,275,431</u>
Deferred Inflows of Resources:			
Pension deferrals	65,502	122,295	18,877
OPEB deferrals	555,760	6,170,357	180,638
Total deferred inflows of resources	<u>621,262</u>	<u>6,292,652</u>	<u>199,515</u>
Net Position:			
Net investment in capital assets	7,585,066	290,552,856	16,932,127
Unrestricted	9,368,699	120,856,975	6,663,458
Total net position	<u>\$ 16,953,765</u>	<u>\$ 411,409,831</u>	<u>\$ 23,595,585</u>

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

CITY OF GREENVILLE, NORTH CAROLINA

Exhibit H

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND NET POSITION

YEAR ENDED JUNE 30, 2019

	Major Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Gas Fund
Operating Revenues:				
Charges for services	\$ 177,242,177	\$ 21,482,826	\$ 24,349,138	\$ 35,970,415
Other operating revenues	691,439	116,747	119,184	109,291
Total operating revenues	<u>177,933,616</u>	<u>21,599,573</u>	<u>24,468,322</u>	<u>36,079,706</u>
Operating Expenses:				
Administrative and general	11,984,149	4,426,182	4,329,728	4,244,635
Operations and maintenance	15,560,179	10,033,980	9,424,330	6,325,441
Purchased power and gas	129,516,409	-	-	18,949,073
Depreciation and amortization	9,725,679	4,009,278	6,094,622	2,374,751
Claims and payments to third-party administrators	-	-	-	-
Total operating expenses	<u>166,786,416</u>	<u>18,469,440</u>	<u>19,848,680</u>	<u>31,893,900</u>
Operating income (loss)	<u>11,147,200</u>	<u>3,130,133</u>	<u>4,619,642</u>	<u>4,185,806</u>
Nonoperating Revenues (Expenses):				
Investment earnings	2,153,934	283,261	506,319	615,245
Federal grants	-	-	-	-
Other nonoperating revenues	1,296,258	603,483	718,448	122,723
Other nonoperating expenses	(79,381)	(21,393)	(147,984)	-
Interest expense	<u>(1,762,061)</u>	<u>(828,733)</u>	<u>(1,654,247)</u>	<u>(638,322)</u>
Total nonoperating revenues (expenses)	<u>1,608,750</u>	<u>36,618</u>	<u>(577,464)</u>	<u>99,646</u>
Income (loss) before transfers and contributions	<u>12,755,950</u>	<u>3,166,751</u>	<u>4,042,178</u>	<u>4,285,452</u>
Transfers In (Out) and Capital Contributions:				
Capital contributions	-	831,471	996,050	-
Transfers from other funds	-	-	-	-
Transfers to other funds	<u>(4,993,763)</u>	<u>-</u>	<u>-</u>	<u>(1,724,051)</u>
Total transfers in (out) and capital contributions:	<u>(4,993,763)</u>	<u>831,471</u>	<u>996,050</u>	<u>(1,724,051)</u>
Change in net position	7,762,187	3,998,222	5,038,228	2,561,401
Net Position:				
Beginning of year – July 1	<u>145,381,712</u>	<u>73,021,730</u>	<u>108,709,684</u>	<u>47,982,902</u>
End of year – June 30	<u>\$ 153,143,899</u>	<u>\$ 77,019,952</u>	<u>\$ 113,747,912</u>	<u>\$ 50,544,303</u>

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

CITY OF GREENVILLE, NORTH CAROLINA

Exhibit H

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND NET POSITION

YEAR ENDED JUNE 30, 2019

	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating Revenues:			
Charges for services	\$ 14,069,068	\$ 273,113,624	\$ 21,385,279
Other operating revenues	167,017	1,203,678	225,882
Total operating revenues	<u>14,236,085</u>	<u>274,317,302</u>	<u>21,611,161</u>
Operating Expenses:			
Administrative and general	220,588	25,205,282	1,180,601
Operations and maintenance	14,190,576	55,534,506	6,775,917
Purchased power and gas	-	148,465,482	-
Depreciation and amortization	604,242	22,808,572	2,832,557
Claims and payments to third-party administrators	-	-	10,117,084
Total operating expenses	<u>15,015,406</u>	<u>252,013,842</u>	<u>20,906,159</u>
Operating income (loss)	<u>(779,321)</u>	<u>22,303,460</u>	<u>705,002</u>
Nonoperating Revenues (Expenses):			
Investment earnings	-	3,558,759	-
Federal grants	2,109,231	2,109,231	-
Other nonoperating revenues	-	2,740,912	-
Other nonoperating expenses	-	(248,758)	-
Interest expense	(98,387)	(4,981,750)	-
Total nonoperating revenues (expenses)	<u>2,010,844</u>	<u>3,178,394</u>	<u>-</u>
Income (loss) before transfers and contributions	<u>1,231,523</u>	<u>25,481,854</u>	<u>705,002</u>
Transfers In (Out) and Capital Contributions:			
Capital contributions	1,963,433	3,790,954	-
Transfers from other funds	771,894	771,894	1,741,000
Transfers to other funds	(250,000)	(6,967,814)	-
Total transfers in (out) and capital contributions:	<u>2,485,327</u>	<u>(2,404,966)</u>	<u>1,741,000</u>
Change in net position	3,716,850	23,076,888	2,446,002
Net Position:			
Beginning of year – July 1	<u>13,236,915</u>	<u>388,332,943</u>	<u>21,149,583</u>
End of year – June 30	<u>\$ 16,953,765</u>	<u>\$ 411,409,831</u>	<u>\$ 23,595,585</u>

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

CITY OF GREENVILLE, NORTH CAROLINA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

Exhibit I

YEAR ENDED JUNE 30, 2019

	Major Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Gas Fund
Cash Flows from Operating Activities:				
Cash received from customers	\$ 178,762,570	\$ 21,102,431	\$ 24,144,479	\$ 36,021,319
Other operating receipts	(950,566)	(158,718)	(279,506)	(453,238)
Cash paid to vendors	(146,640,877)	(8,110,574)	(7,323,880)	(24,084,596)
Cash paid to employees	(11,573,747)	(6,195,318)	(6,058,575)	(5,142,007)
Payments received on loans	-	39,521	-	-
Net cash provided (used) by operating activities	<u>19,597,380</u>	<u>6,677,342</u>	<u>10,482,518</u>	<u>6,341,478</u>
Cash Flows from Noncapital Financing Activities:				
Repayment of principal of long-term debt	-	-	-	-
Interest and other financing costs	-	-	-	-
Transfers from other funds	-	-	-	-
Transfers to other funds	(4,988,315)	-	-	(1,724,051)
Noncapital contributions	40,264	53,951	53,951	47,207
Repayments (to)/from other funds	-	-	-	-
Federal and State grants	-	-	-	-
Net cash provided (used) by noncapital financing activities	<u>(4,948,051)</u>	<u>53,951</u>	<u>53,951</u>	<u>(1,676,844)</u>
Capital and Related Financing Activities:				
Acquisition and construction of capital assets	(14,241,548)	(4,093,652)	(3,766,918)	(3,544,286)
Capital grants/cash capital contributions	-	-	-	-
Capital related receipts from customers	-	350,296	412,497	-
Proceeds from issuance of long-term debt	31,008,254	10,569,359	8,366,553	7,479,967
Debt issuance costs	(269,030)	(81,493)	(67,523)	(64,897)
Repayment of principal of long-term debt	(2,202,361)	(4,356,630)	(4,604,020)	(819,487)
Interest and other debt related expenses	(1,285,630)	(686,833)	(1,527,407)	(504,624)
Net cash provided (used) by capital and related financing activities	<u>13,009,685</u>	<u>1,701,047</u>	<u>(1,186,818)</u>	<u>2,546,673</u>
Cash Flow from Investing Activities:				
Purchase of investments	(29,081,377)	(5,358,365)	(10,277,582)	(9,954,074)
Proceeds from sale and maturity of investments	20,066,487	3,687,878	7,065,466	6,861,411
Interest received on investments	1,780,121	227,046	409,248	496,723
Net cash provided (used) by investing activities	<u>(7,234,769)</u>	<u>(1,443,441)</u>	<u>(2,802,868)</u>	<u>(2,595,940)</u>
Net increase (decrease) in cash and cash equivalents	20,424,245	6,988,899	6,546,783	4,615,367
Cash and Cash Equivalents:				
Beginning of year – July 1	<u>56,231,178</u>	<u>9,603,837</u>	<u>13,672,055</u>	<u>16,796,996</u>
End of year – June 30	<u>\$ 76,655,423</u>	<u>\$ 16,592,736</u>	<u>\$ 20,218,838</u>	<u>\$ 21,412,363</u>

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

CITY OF GREENVILLE, NORTH CAROLINA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

Exhibit I

YEAR ENDED JUNE 30, 2019

	Major Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Gas Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Operating income (loss)	\$ 11,147,200	\$ 3,130,133	\$ 4,619,642	\$ 4,185,806
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	9,725,679	4,009,278	6,094,622	2,374,751
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	(575,048)	(723,823)	(639,416)	(488,708)
(Increase) decrease in notes receivable	-	39,521	-	-
(Increase) decrease in due from other governments	(809,237)	(163,571)	(204,797)	(125,310)
Change in due to/from other funds	3,578	39,073	68,994	5,512
(Increase) decrease in inventories	(745,061)	(221,306)	(9,831)	25,945
(Increase) decrease in prepaids	5,387	(5,381)	(5,046)	(3,638)
Increase (decrease) in net pension liability	1,674,282	898,395	857,559	653,378
(Increase) decrease in deferred inflow of resources for pensions	(56,647)	(30,397)	(29,014)	(22,106)
(Increase) decrease in deferred inflow of resources for OPEB	(183,601)	(98,518)	(94,040)	(71,649)
Increase (decrease) in deferred outflow of resources for pensions	(1,310,821)	(703,367)	(671,396)	(511,540)
Increase (decrease) in deferred outflow of resources for OPEB	(4,043,041)	(2,169,437)	(2,070,826)	(1,577,772)
Increase (decrease) in accounts payable	(1,018,929)	(1,947)	123,133	2,493
Increase (decrease) in customer deposits	186,438	43,389	83	26,878
Increase (decrease) in compensated absences payable	43,347	23,328	15,982	13,580
Increase (decrease) in net OPEB liability	4,557,001	2,445,221	2,334,074	1,778,342
Increase (decrease) in unearned revenue	(179,760)	(11,091)	(11,220)	-
Miscellaneous income	1,176,613	177,842	104,015	75,516
Net cash provided (used) by operating activities	<u>\$ 19,597,380</u>	<u>\$ 6,677,342</u>	<u>\$ 10,482,518</u>	<u>\$ 6,341,478</u>
Noncash Investing, Capital, and Financing Activities:				
Capital contribution	\$ -	\$ 831,471	\$ 996,050	\$ -
Amortization of loss on refunding	-	-	-	-
Total noncash investing, capital, and financing activities	<u>\$ -</u>	<u>\$ 831,471</u>	<u>\$ 996,050</u>	<u>\$ -</u>
Reconciliation of Cash and Cash Equivalents:				
Cash and investments, unrestricted	\$ 45,279,821	\$ 4,354,402	\$ 9,752,765	\$ 14,770,811
Cash and investments, restricted	<u>31,375,602</u>	<u>12,238,334</u>	<u>10,466,073</u>	<u>6,641,552</u>
Total cash and cash equivalents	<u>\$ 76,655,423</u>	<u>\$ 16,592,736</u>	<u>\$ 20,218,838</u>	<u>\$ 21,412,363</u>

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

CITY OF GREENVILLE, NORTH CAROLINA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

Exhibit I

YEAR ENDED JUNE 30, 2019

	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash Flows from Operating Activities:			
Cash received from customers	\$ 14,603,314	\$ 274,634,113	\$ 21,502,149
Other operating receipts	-	(1,842,028)	-
Cash paid to vendors	(6,006,845)	(192,166,772)	(16,220,336)
Cash paid to employees	(5,448,995)	(34,418,642)	(1,683,073)
Payments received on loans	-	39,521	-
Net cash provided (used) by operating activities	<u>3,147,474</u>	<u>46,246,192</u>	<u>3,598,740</u>
Cash Flows from Noncapital Financing Activities:			
Repayment of principal of long-term debt	(154,866)	(154,866)	-
Interest and other financing costs	(15,951)	(15,951)	-
Transfers from other funds	771,894	771,894	1,741,000
Transfers to other funds	(250,000)	(6,962,366)	-
Noncapital contributions	-	195,373	-
Repayments (to)/from other funds	-	-	12,190
Federal and State grants	2,011,084	2,011,084	-
Net cash provided (used) by noncapital financing activities	<u>2,362,161</u>	<u>(4,154,832)</u>	<u>1,753,190</u>
Capital and Related Financing Activities:			
Acquisition and construction of capital assets	(14,204,263)	(39,850,667)	(7,150,056)
Capital grants/cash capital contributions	1,040,000	1,040,000	-
Capital related receipts from customers	-	762,793	-
Proceeds from issuance of long-term debt	2,414,575	59,838,708	-
Debt issuance costs	-	(482,943)	-
Repayment of principal of long-term debt	(375,083)	(12,357,581)	-
Interest and other debt related expenses	(58,894)	(4,063,388)	-
Net cash provided (used) by capital and related financing activities	<u>(11,183,665)</u>	<u>4,886,922</u>	<u>(7,150,056)</u>
Cash Flow from Investing Activities:			
Purchase of investments	-	(54,671,398)	-
Proceeds from sale and maturity of investments	-	37,681,242	-
Interest received on investments	-	2,913,138	-
Net cash provided (used) by investing activities	<u>-</u>	<u>(14,077,018)</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(5,674,030)	32,901,264	(1,798,126)
Cash and Cash Equivalents:			
Beginning of year – July 1	<u>8,614,410</u>	<u>104,918,476</u>	<u>13,279,271</u>
End of year – June 30	<u>\$ 2,940,380</u>	<u>\$ 137,819,740</u>	<u>\$ 11,481,145</u>

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

CITY OF GREENVILLE, NORTH CAROLINA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

Exhibit I

YEAR ENDED JUNE 30, 2019

	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Operating income (loss)	\$ (779,321)	\$ 22,303,460	\$ 705,002
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	604,242	22,808,572	2,832,557
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	647	(2,426,348)	49,458
(Increase) decrease in notes receivable	-	39,521	-
(Increase) decrease in due from other governments	366,582	(936,333)	-
Change in due to/from other funds	-	117,157	-
(Increase) decrease in inventories	-	(950,253)	-
(Increase) decrease in prepaids	-	(8,678)	-
Increase (decrease) in net pension liability	403,861	4,487,475	129,787
(Increase) decrease in deferred inflow of resources for pensions	78,509	(59,655)	(6,383)
(Increase) decrease in deferred inflow of resources for OPEB	555,760	107,952	180,638
Increase (decrease) in deferred outflow of resources for pensions	(338,150)	(3,535,274)	(110,101)
Increase (decrease) in deferred outflow of resources for OPEB	(57,927)	(9,919,003)	(20,074)
Increase (decrease) in accounts payable	2,739,133	1,843,883	(30,143)
Increase (decrease) in customer deposits	-	256,788	-
Increase (decrease) in compensated absences payable	(19,742)	76,495	-
Increase (decrease) in net OPEB liability	(406,120)	10,708,518	(132,001)
Increase (decrease) in unearned revenue	-	(202,071)	-
Miscellaneous income	-	1,533,986	-
Net cash provided (used) by operating activities	<u>\$ 3,147,474</u>	<u>\$ 46,246,192</u>	<u>\$ 3,598,740</u>
Noncash Investing, Capital, and Financing Activities:			
Capital contribution	\$ 923,433	\$ 2,750,954	\$ -
Amortization of loss on refunding	<u>23,542</u>	<u>23,542</u>	<u>-</u>
Total noncash investing, capital, and financing activities	<u>\$ 946,975</u>	<u>\$ 2,774,496</u>	<u>\$ -</u>
Reconciliation of Cash and Cash Equivalents:			
Cash and investments, unrestricted	\$ 2,940,380	\$ 77,098,179	\$ 8,246,956
Cash and investments, restricted	<u>-</u>	<u>60,721,561</u>	<u>3,234,189</u>
Total cash and cash equivalents	<u>\$ 2,940,380</u>	<u>\$ 137,819,740</u>	<u>\$ 11,481,145</u>

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

CITY OF GREENVILLE, NORTH CAROLINA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION

Exhibit J

JUNE 30, 2019

	<u>Pension Trust Funds</u>	<u>Agency Fund</u>
Assets:		
Cash and cash equivalents	\$ -	\$ 157,336
Restricted assets:		
Cash and cash equivalents	4,862,130	-
Investments:		
BlackRock MSCI ACWI EQ Index Non-lendable Fund	4,229,010	-
NC Non Pension Fixed Income	<u>1,108,442</u>	<u>-</u>
Total assets	<u>10,199,582</u>	<u>\$ 157,336</u>
Liabilities:		
Accounts payable	<u>-</u>	<u>\$ 157,336</u>
Net Position:		
Net position restricted for postemployment benefits other than pensions	<u>\$ 10,199,582</u>	

CITY OF GREENVILLE, NORTH CAROLINA
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Exhibit K

YEAR ENDED JUNE 30, 2019

	<u>Pension Trust Funds</u>
Additions:	
Employer contributions	\$ 5,478,911
Total contributions	<u>5,478,911</u>
Investment income:	
Interest	100,009
Net appreciation in fair value of investments	297,289
Less investment expense	<u>(578)</u>
Net investment income	<u>396,720</u>
Total additions	<u>5,875,631</u>
Deductions:	
Benefits	<u>4,378,911</u>
Total deductions	<u>4,378,911</u>
Change in net position	1,496,720
Net position restricted for postemployment benefits other than pensions:	
Net position, beginning of year	<u>8,702,862</u>
Net position, ending of year	<u>\$ 10,199,582</u>

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



Notes to Financial Statements

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2019



CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

I. Summary of Significant Accounting Policies

The City of Greenville, North Carolina (the "City"), is located in the coastal plains area of the State and has a population of 93,107. The City, as authorized by its charter, operates its own police and fire departments, provides sanitation and street maintenance services, manages a transit system, and maintains public parks and recreation facilities, among other services for its citizens. In addition, the City provides electric, water, sewer, and gas utilities for the incorporated area through the Greenville Utilities Commission (the "Commission"), which is not a separate legal entity. Electricity is purchased from North Carolina Eastern Municipal Power Agency, and gas is purchased from Piedmont Natural Gas Corporation and gas marketers.

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

A. Reporting Entity

The City of Greenville is a municipal corporation that is governed by an elected Mayor and a six-member Council. As required by generally accepted accounting principles, the City's financial statements include the operations of all funds, agencies, boards, commissions, and authorities for which the City is financially accountable. The City has no component units. The Commission, which is governed by an eight-member Board of Commissioners, was established in 1905 to operate and administer the utility enterprise funds of the City of Greenville, North Carolina.

B. Basis of Presentation

Government-Wide Statements. The Statement of Net Position and the Statement of Activities display information about the primary government. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed, in whole or in part, by fees charged to external parties.

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

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

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

CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

The City reports the following major governmental fund:

General Fund. The General Fund is the general operating fund of the City. 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 grants, and various other taxes and licenses. The primary expenditures are for public safety, public works, parks and recreation, and general government services.

The City reports the following major enterprise funds:

Electric Operating Fund. This fund is used to account for the operation of providing power to residents.

Water Operating Fund. This fund is used to account for the operation of providing water to residents.

Sewer Operating Fund. This fund is used to account for the operation of providing sewer services to residents.

Gas Operating Fund. This fund is used to account for the operation of providing natural gas to residents.

Additionally, the City reports the following nonmajor funds, by type:

Nonmajor Enterprise Funds. The nonmajor enterprise funds are used to account for the operation of providing various City services to residents. The City maintains three nonmajor enterprise funds: Public Transportation Fund, Stormwater Utility Fund (including its related enterprise capital project fund), and Sanitation Fund.

Special Revenue Funds. The special revenue funds account for specific revenue sources (other than expendable trusts and agency funds or major capital projects) that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The City maintains six special revenue funds: the Community Development and HOME Fund, Sheppard Memorial Library Fund, Housing Trust Fund, Centralized Grant Project Fund, and FEMA Fund. A new Donations Fund was established during fiscal year 2019 to account for donations received by the City for purposes related to various City operations as specified by the donors.

Capital Projects Funds. The capital projects funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). As of June 30, 2019, the City has nine capital project funds that were open during the fiscal year, covering various construction projects: Affordable Housing Capital Projects Fund, Recreation and Parks Capital Projects Fund, Public Works Capital Projects Fund, Greenways Capital Projects Fund, Street Improvement Capital Projects Fund, Community Development Capital Projects Fund, Information Technology Capital Projects Fund, Police Capital Projects Fund, and Capital Reserve Fund. During fiscal year 2019, the Fire and Rescue Capital Projects Fund was dormant after completion of a project in a previous fiscal year. The fund remains available for new projects as they are identified.

Debt Service Fund. The Debt Service Fund accounts for the payment of the City's debt obligations, excluding the Commission's debt. The Commission's debt is paid from their respective funds.

Internal Service Funds. Internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis. The City of Greenville has four internal service funds: Vehicle Replacement Fund, Health Insurance Fund, Fleet Maintenance Fund, and Facility Improvement Fund.

CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

Fiduciary Funds. Fiduciary funds account for the assets held by the City and Commission in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Fiduciary funds include the following funds:

Pension Trust Funds. The pension trust funds account for resources that are required to be held in trust for the members and beneficiaries of defined benefit postemployment benefits plans. The City maintains the North Carolina OPEB Trust Fund (City) to account for all contributions to the State-managed Other Postemployment Benefits Trust Fund. Funds are placed in the irrevocable trust for retiree health benefits. The Commission maintains the Other Postemployment Benefits (OPEB) Trust Fund (Commission) to account for the Commission's contributions for healthcare benefits provided to qualified retirees.

Agency Funds. Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the City holds on behalf of others. A new Red Light Camera Fund was established in 2019 to account for legal fines that the City is required to remit to the Pitt County Board of Education. What about penalties for failure to list or late listing of property for taxation and penalties for bad checks for payment of taxes? See LGC Memorandum 1060.

C. Measurement Focus and Basis of Accounting

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

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

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

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

CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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

The City considers all revenues available if they are collected within 60 days after year-end, except for property taxes. 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 franchise tax, collected and held by the State at year-end on behalf of the City, are recognized as revenue. Sales taxes are considered a shared revenue for the City of Greenville because the tax is levied by Pitt County and then remitted to and distributed by the State. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the City's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

D. Budgetary Data

The City's budgets are adopted as required by the North Carolina General Statutes. The City Manager and departments of the City of Greenville prepare the annual budget for City operations on a biennial basis. An annual budget is adopted for the General Fund, certain special revenue funds (Library), and the Enterprise Funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the remaining Special Revenue Funds, the Capital Projects Funds, and the Enterprise Capital Projects Funds. The enterprise projects funds are consolidated with their respective operating fund for reporting purposes. The internal service funds operate under a financial plan that was adopted by the governing board at the time the City'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 departmental level for all annually budgeted funds, the project level for capital projects funds, and the fund level for the remaining multi-year funds. All amendments must be approved by the City Council. Individual amendments were not material in relation to the original appropriations.

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

CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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

1. Deposits and Investments

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

State law [G.S. 159-30(c)] authorizes the City to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States, obligations of the State of North Carolina, bonds and notes of any North Carolina local government or public authority, obligations of certain non-guaranteed Federal agencies, certain high quality issues of commercial paper and bankers' acceptances, and the North Carolina Capital Management Trust ("NCCMT"). The City's and Commission's investments are reported at fair value. Non-participating interest earning contracts are accounted for at cost. The NCCMT-Government Portfolio, a SEC-registered (2a-7) external investment pool, 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, 2019, the Term portfolio has a duration of .11 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.

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

General Statute 159-30.1 allows the City to establish an Other Postemployment Benefit ("OPEB") Trust managed by the staff of the Department of the State Treasurer and operated in accordance with State laws and regulations. It is not registered with the SEC, and 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 detailed in G.S. 147-69.2(b)(1)-(6) 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), and BlackRock's MSCI ACWI EQ Index Non-Lendable Class B Fund authorized under G.S. 147-69.2(b)(8). Ownership interest of the STIF is determined on a fair market valuation basis as of fiscal year end in accordance with the STIF operating procedures. Valuation of the underlying assets is performed by the custodian. The STIF is valued at \$1 per share. 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 also valued at \$1 per share. The MSCI ACWI EQ Index Non-Lendable Class B Fund was priced at \$22.562358 per share at June 30, 2019.

2. Cash and Cash Equivalents

The City and the Commission separately pool money from several funds to facilitate disbursement and investment and to maximize investment income. Each fund owns a pro rata interest in the depository, and interest earned, as a result of pooling, is distributed to the appropriate funds based on their equity in the pool. Therefore, all cash and investments of the City's funds are essentially demand deposits and are considered cash and cash equivalents. For purposes of the statement of cash flows, the commission considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Investments, as presented in the financial statements, consist of securities authorized by State law with an original maturity greater than three months.

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

3. Restricted Assets

The City issues general obligation, revenue bonds, and installment debt for capital projects. The amount of unexpended debt proceeds is shown as restricted assets because the use of the proceeds is completely restricted to the purpose for which the debt was originally issued. Revenue bond proceeds are placed with a trustee for safekeeping and dispersion as needed. Customer deposits held by the City or Commission, before any services are supplied, are restricted to the service for which the deposit was collected. The amount of unspent capacity fee revenue is shown as a restricted asset for the Commission because its use is completely restricted to capacity related capital investment and/or debt service on capacity related capital financing. Certain unexpended grant revenues are classified as restricted assets since their use is restricted for the purpose of the grant. Powell Bill funds are also classified as restricted cash because they can be expended only for the purposes of maintaining, repairing, constructing, reconstructing, or widening of local streets per G.S. 136-41.1 through 136-41.4. Any net pension asset is classified as restricted asset because its use is restricted to the provision of pension benefits to retired employees. Cash and investments in the Other Postemployment Benefits trust funds are considered restricted because they can only be used to pay other postemployment benefit obligations.

Governmental Activities:

Cash:

General Fund:

General government	\$ 108,208
Streets	702,296
Public safety	435,196

Nonmajor Governmental funds:

Economic and physical development	15,187
Debt service	1,302,562
Unexpended debt proceeds	3,313,844
Unexpended grant proceeds	822,803
Unexpended donations	182,793

Internal Service Fund:

Self-insurance	3,234,189
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Total Governmental Activities	\$ 10,117,078
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Business-Type Activities:

Cash:

Greenville Utilities Commission:

Customer deposits	\$ 4,595,170
Unexpended bond proceeds	51,314,860
Unexpended capacity fees	4,079,714
Unexpended system development fees	731,817

Total Business-Type Activities	\$ 60,721,561
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4. Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the City levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due September 1 (lien date); however, interest does not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2018. As allowed by State law, the City has established a Schedule of Discounts that apply to taxes that are paid prior to the due date. In the City's General Fund, ad valorem tax revenues are reported net of such discounts. Uncollected taxes receivable are written off at the end of ten years in accordance with North Carolina General Statutes.

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

5. Utility Service Revenues – Unbilled Usage

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

6. Allowance for Doubtful Accounts

An allowance for doubtful accounts is maintained for ad valorem taxes receivable, rescue fees receivable, and other receivables, which historically experience uncollectible accounts. An allowance for doubtful accounts is also maintained for major and nonmajor Enterprise Fund customer receivables. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

7. Inventory and Prepaid Items

Inventories consist of major items held for consumption by the governmental funds materials and supplies. Inventories are valued at cost using the first-in, first-out (FIFO) method, which approximates market. Disbursements for inventory-type items of the City are considered to be expenditures at the time of use (“consumption method” of accounting). Supplies transferred to and consumed by the individual departments are considered a reduction of the inventory and an expenditure of the user department.

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

8. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and are defined by the government as assets with an initial individual cost of more than a certain amount and estimated useful life in excess of two years. The capitalization threshold for assets is \$5,000. Maintenance and repairs are charged to expense as incurred. Donated capital assets received prior to June 15, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 15, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. Commencing with the fiscal year ended 2010, donated intangible assets, which have an indefinite life, such as street right-of-ways or utility easements have been recorded at the estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. As discussed in Note II below, in regard to Governmental Accounting Standards Board (“GASB”) Standard 89, interest expense is no longer capitalized on business-type construction in progress to the extent that it exceeds income because the City and Commission elected to implement this standard in the fiscal year ended June 30, 2019.

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Land improvements	10 years
Buildings	5 - 33 years
Equipment	5 - 20 years
Intangible	3 - 15 years
Distribution systems	10 - 50 years
Transmission systems	20 - 25 years
Computer hardware	5 years
Fiber optics	20 years
Vehicle	3 - 20 years

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

The rate structure of the Public Transportation Fund is inadequate to generate sufficient revenues to cover the acquisition and future expansion of its property and equipment. It, therefore, must seek capital grants from Federal, State, and local sources. The estimated useful lives of transportation capital assets, which are depreciated using the straight-line method, are as follows:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Plant structures	30 years
Buses	10 years
Furniture, fixtures, machinery, and equipment	5 - 8 years

9. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The City has three items that qualify for reporting in this category – pension deferrals for the 2019 fiscal year, OPEB deferrals for the 2019 fiscal year and deferred charges on refunding reported in the government-wide Statement of Net Position. In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The City has three items that qualify for reporting in this category – prepaid taxes, property taxes receivable, and pension deferrals. The Commission also has OPEB deferrals.

10. Long-Term Obligations

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

In 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 debt proceeds received, are reported as debt service expenditures. For business-type activities, the debt service requirements are being financed by the revenues of these funds. The full taxing power of the City is pledged to make payments if applicable fund revenues should be insufficient.

11. Compensated Absences

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

CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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

12. Net Position/Fund Balances

Net Position

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

Fund Balances

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

The governmental fund types classify fund balances as follows:

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.

Prepaid Items – Portion of fund balance that is not an available resource because it represents certain payments to vendors applicable to future accounting periods and is, therefore, not in spendable form.

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.

Loans Receivable – Portion of fund balance which has been paid out to borrowers and is, therefore, not a spendable resource.

Restricted Fund Balance. This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law. The City's restricted fund balance consists of the following:

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 General Government – Portion of fund balance that is restricted for the employee benefit flex spending program.

CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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

Restricted for Public Safety – Portion of fund balance that is restricted by revenue source for public safety expenditures. These revenue sources include unexpended Federal forfeiture and controlled substance funds in the General Fund.

Restricted for Economic Development – Portion of fund balance that is restricted by revenue sources for economic development [G.S. Chapter 159, Article 3, Part 2].

Restricted for Debt Service – Portion of fund balance that is restricted for debt service.

Restricted for Donations – Portion of fund balance that is restricted by revenue sources for purposes specified by donors.

Committed Fund Balance. This classification represents the portion of fund balance that can only be used for specific purposes determined by a formal action of the government's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the government that 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. The City's committed fund balance consists of the following:

Committed for Catastrophic Losses – Portion of fund balance committed by the City Council in its financial policy guidelines for insurance loss reserves for self-insured amounts that exceed insurance coverages.

Committed for General Government – Portion of fund balance that is committed by the City Council for expenses for the City's IT Capital Project Fund.

Committed for Cultural and Recreational – Portion of fund balance that is committed by the City Council for cultural and recreational construction expenses in various special revenue and capital project funds.

Committed for Public Safety – Portion of fund balance that is committed by the City Council for law enforcement equipment and operational activities in various special revenue and capital project funds.

Committed for Economic Development – Portion of fund balance that is committed by the City Council for economic development construction and activities in various special revenue and capital project funds.

Committed for Capital Outlay – Portion of fund balance committed by the City Council for the construction of specific assets held in the Capital Reserve Fund. Specific Council action is required to transfer funds out of this fund.

Committed for Debt Service – Portion of fund balance committed by the City Council to pay for future debt expenditures accounted for in the City's Debt Service Fund. Specific council action is required to transfer funds out of this fund.

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Assigned Fund Balance. Portion of fund balance that the City of Greenville intends to use for specific purposes. The City Council has authority to assign fund balance by any action lesser than an ordinance as a function of its position as governing body. Additionally, certain elements of the Sheppard Memorial Library Fund balance are identified as “assigned” as a function of the budget process and results of operations. The City’s assigned fund balance consists of the following:

Assigned for Subsequent Year’s Expenditures – Portion of total fund balance that is appropriated in the next year’s budget that is not classified as restricted or committed. The governing body approves the appropriation; however, the budget ordinance authorizes the Manager to modify the appropriations by resource or appropriations in certain circumstances.

Assigned for Cultural and Recreational – Portion of total fund balance that has been budgeted by the Council for library operations.

Unassigned Fund Balance. Portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

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

The City of Greenville has also adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the City in such a manner that unassigned fund balance is at least 14% of the total annual operating budget. The City Council may, from time to time, appropriate unassigned fund balances that will reduce unassigned fund balances below the 14% threshold for the purposes of a declared fiscal emergency or other such global purpose as to protect the long-term fiscal security of the City of Greenville. In such circumstances, the City Council will adopt a plan to restore the unassigned fund balance to, or above, the threshold within 36 months from the date of the appropriation. If restoration cannot be accomplished within such time period without severe hardship to the City, then the City Council will establish a different but appropriate time period.

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	\$ 23,953,440
Less:	
Inventories	14,566
Prepaid items	38,750
Loans receivable	14,700
Stabilization by State statute	8,067,547
Restricted for general government	108,208
Restricted for streets	702,296
Restricted for public safety	435,196
Committed for catastrophic losses	2,195,558
Assigned for subsequent year's expenditures	650,000
Total available fund balance	<u>\$ 11,726,619</u>

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The City of Greenville has outstanding encumbrances as of June 30, 2019, which represent amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end as noted below.

Encumbrances:
General Fund: \$ 647,996
Aggregate nonmajor funds: \$ 6,329,122

13. Defined Benefit Pension and OPEB Plans

The City and Commission participate in a cost-sharing, multiple-employer, defined benefit pension plan that is administered by the State, the Local Governmental Employees' Retirement System ("LGERS"). 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 plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The City and Commission's employer contributions are recognized when due and the City and Commission have a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LGERS. Investments are reported at fair value.

For purposes of measuring the Law Enforcement Officers Special Separation Allowance ("LEOSSA") total pension liabilities, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense, have been determined on the actuarial basis as described in Note III.B.1.b. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The City's employer contributions are recognized when due, and the City has a legal requirement to provide the contributions. Benefits are recognized when due and payable in accordance with the terms of LEOSSA. The LEOSSA plan is unfunded.

The City and Commission each participate in separate single-employer defined benefit postemployment benefit (OPEB) plans: The OPEB Plan (City) and the OPEB Plan (Commission). 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 positions of the plans and additions to/deductions from the plans' fiduciary net positions have been determined on the same basis as they are reported by the plans. For this purpose, the OPEB plans recognize benefit payments when due and payable in accordance with the benefit terms. Investments for both plans are reported at fair value.

14. Deficit in Fund Balance of Individual Funds

The nonmajor Sanitation Enterprise Fund is reporting a net position deficit of \$384,082 as of June 30, 2019. This is primarily a result of implementation of GASB Statement No. 75, which changed the calculation of the net OPEB liability. The City's plans for changes in fees have reduced the deficit in the current year. Plans for changes in fees in future years are expected to reverse the deficit over time.

The nonmajor street improvement capital project fund is reporting a deficit fund balance of \$254,852 due to unexpected difficulties in accessing the data in the accounting system in the latter part of the fiscal year. Management believes issues related to these difficulties have been remediated and does not expect them to recur.

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II. Pronouncements Issued But Not Yet Effective

The GASB has issued several pronouncements prior to June 30, 2019 with effective dates that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements of the City or the Commission.

GASB Statement No. 84, "Fiduciary Activities". The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged.

GASB Statement No. 87, "Leases". The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged.

GASB Statement No. 90, "Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61". The primary objectives of this statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The requirements of this statement are effective for reporting periods beginning after December 15, 2018.

GASB Statement No. 91, "Conduit Debt Obligations." The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this statement are effective for reporting periods beginning after December 15, 2020.

CITY OF GREENVILLE, NORTH CAROLINA

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III. Detailed Notes on All Funds

A. Assets

1. Deposits

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

At June 30, 2019, the City's deposits had a carrying amount of \$8,847,632 and a bank balance of \$10,732,129. Of the bank balance, \$1,965,704 was covered by Federal depository insurance, and the remainder of \$8,766,425 was covered by collateral held under the pooling method. The City's deposits include checking accounts, money market accounts, and \$1,082,956 in certificates of deposit which are reported as short-term investments. The City's cash on hand at June 30, 2019 consisted of various petty cash funds totaling \$7,336.

At June 30, 2019, the Commission's deposits had a carrying amount of \$43,438,563 and a bank balance of \$44,224,520. Of the bank balance, \$3,274,217 was covered by Federal depository insurance, and \$40,950,303 was covered by collateral held under the pooling method. The Commission's deposits include checking accounts, savings accounts, money market accounts, and \$15,079,590 in certificates of deposit which are reported as long-term investments on the statement of net position. The Commission's cash on hand at June 30, 2019 consisted of various petty cash funds totaling \$6,700.

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2. Investments

At June 30, 2019, the investments and related maturities of the City were as follows:

Investment Type	Valuation Measurement Method	Fair Value	Less Than		
			Six Months	6-12 Months	1-5+ Years
Bank Certificates of Deposit	Amortized Cost	\$ 1,082,956	\$ 1,082,956	\$ -	\$ -
NC Capital Management Trust - Government Portfolio	Fair Value Level 1	3,973,251	3,973,251	-	-
NC Capital Management Trust - Term Portfolio*	Fair Value Level 1	12,355,121	12,355,121	-	-
U.S. Treasuries	Fair Value Level 1	5,140,853	-	-	5,140,853
Government Municipal Bond	Fair Value Level 1	1,527,048	-	967,042	560,006
U.S. Government Agency - FHLB	Fair Value Level 2	3,198,504	-	-	3,198,504
U.S. Government Agency - FHLMC	Fair Value Level 2	6,084,312	-	2,933,156	3,151,156
U.S. Government Agency - FNMA	Fair Value Level 2	10,474,401	-	1,674,049	8,800,352
Total Investments		\$ 43,836,446	\$ 17,411,328	\$ 5,574,247	\$ 20,850,871

At June 30, 2019, the Commission had the following investments and maturities:

Investment Type	Valuation Measurement Method	Fair Value	Less Than		
			Six Months	6-12 Months	1-5 Years
Bank Certificates of Deposit	Amortized Cost	\$ 15,079,590	\$ 15,079,590	\$ -	\$ -
U.S. Government Agencies	Fair Value Level 1	26,221,647	10,586,842	4,497,153	11,137,652
U.S. Treasury Bills	Fair Value Level 1	997,824	997,824	-	-
U.S. Treasury Notes	Fair Value Level 1	16,943,433	-	6,304,809	10,638,624
NC Capital Management Trust - Government Portfolio	Fair Value Level 1	62,209,668	62,209,668	-	-
NC Capital Management Trust - Term Portfolio*	Fair Value Level 1	44,391,392	44,391,392	-	-
Total Investments		\$ 165,843,554	\$ 133,265,316	\$ 10,801,962	\$ 21,776,276

* Because the NC Capital Management Trust Term and Government Portfolios have a weighted average maturity of less than 90 days, they were presented as investments with a maturity of less than 6 months.

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

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

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's formal investment policy specifically limits investment maturities. The policy states investments shall be limited to maturities not exceeding five years from the settlement date.

Interest Rate Risk (Commission). As a means of limiting its exposure to fair value losses arising from rising interest rates, the Commission's investment policy limits investments with maturities exceeding three years to U.S. Treasuries, U.S. Agencies, and Instrumentalities unless expressly approved by the Commission Board. Also, the Commission's investment policy advocates purchases of securities to be laddered with staggered maturity dates and limits all securities to a final maturity of no more than five years.

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Credit Risk. The City's investment policy limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. The policy expressly prohibits investment in stripped instruments (Derivative Security) and repurchase agreements. The investment in the Federal Home Loan Bank is rated AAA by Standard and Poor's and Aaa by Moody's Investors Service. The investment in U.S. Treasury Notes are rated AAA by Standard and Poor's and Aaa by Moody's Investors Service. The investment in Federal Home Loan Mortgage Corporation are rated AAA by Standard and Poor's and Aaa by Moody's Investors Service. The investment in Federal National Mortgage Association are rated AAA by Standard and Poor's and Aaa by Moody's Investors Service. The City's investment in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2019. The City'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.

Credit Risk (Commission). The Commission's investment policy limits the securities available for purchase to the following: U.S. Treasuries, U.S. Agencies, NC Capital Management Trust; Money Market Accounts; Certificates of Deposit; Banker's Acceptances; Commercial Paper; and North Carolina and Local Government Securities with AAA rating or better. The Commission's investment policy expressly prohibits investment in: repurchase agreements, commingled investment pools established by NC G.S 160-A-464; participating shares in a mutual fund for local government and evidences of ownership of future interest and principal payments of direct obligations of the U.S. government. The Commission's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2019. The Commission'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. The Commission's investment in U.S. Government Agencies, which include Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, and Federal National Mortgage Association, are rated AAA by Standard & Poor's and Aaa by Moody's Investors Services.

Custodial Credit Risk. The City's investment policy explicitly states that all securities purchased by the City shall be held in third-party safekeeping by the bank designated as the primary agent. A detailed receipt shall be issued by the primary agent (bank) for each security transaction, as well as a monthly report detailing all securities held by the Trust Department of this bank. Additionally, all trades, where applicable, will be executed by delivery versus payment to ensure that securities are deposited in an eligible financial institution prior to the release of funds. A third-party custodian, as evidenced by safekeeping receipts, will hold securities. The Commission's policy does not allow investment in any security that would not be held in the Commission's name.

Concentration of Credit Risk. The City's and the Commission's investment policy limits the amount of the total portfolio that can be invested in any one type of investment or with a single financial institution. Investments making up more than 5% of the City's investments are as follows:

<u>Issuer</u>	<u>Amount</u>	<u>% of Investments</u>
Government-Municipal Bond	\$ 1,527,048	7.2%
Federal Home Loan Bank	3,198,504	15.0%
Federal Home Loan Mortgage Corporation	6,084,312	28.6%
Federal National Mortgage Association	10,474,401	49.2%

Concentration of Credit Risk (Commission). The Commission's investment policy limits the amount of the total portfolio that can be invested in any one type of investment to the following percentages: U.S. Treasuries – 100%; U.S. Agencies – 100%; Capital Management Trust – 100%; Money Market Accounts – 100%; Certificates of Deposit – 70%; Banker's Acceptances – 45%; Commercial Paper – 50%; and North Carolina and Local Government Securities with AAA rating or better – 20%. In addition, the Commission's investment policy limits the total amount that can be invested in any one agency, institution, or entity.

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OPEB Trust Fund (City excluding the Commission). At June 30, 2019, the City's OPEB Trust Fund had \$5,604,886 invested in the State Treasurer's Local Government Other Postemployment Benefits ("OPEB") Trust pursuant to G.S. 159-30.1. The State Treasurer's OPEB Trust may invest in public equities and both long- and short-term fixed income obligations as determined by the State Treasurer pursuant to the General Statutes. At year-end, the State Treasurer's OPEB Trust was invested as follows: State Treasurer's Short-Term Investment Fund (STIF) 61.57%; State Treasurer's Bond Index Fund ("BIF") 9.91%; and BlackRock's MSCI ACWI EQ Index Non-Lendable Class B Fund 28.52% (with 100% in domestic securities).

Interest Rate Risk (OPEB). The City does not have a formal investment interest rate policy that manages its exposure to fair value losses arising from increasing interest rates. The State Treasurer's STIF is unrated and had a weighted average maturity of 1.3 years at June 30, 2019. The State Treasurer's BIF is unrated and had a weighted average maturity of 7.81 years at June 30, 2019.

Credit Risk (OPEB). The City does not have a formal investment policy regarding credit risk for the OPEB Fund. The STIF is unrated and authorized under NC General Statute 147-69.1. The State Treasurer's STIF is invested in highly liquid fixed income securities consisting primarily of short to intermediate term treasuries, agencies, and money market instruments. The BIF is unrated and authorized under NC General Statute 147-69.1 and 147-69.2. The State Treasurer's BIF is invested in high quality debt securities eligible under G.S. 147-69.2(b)(1)-(6).

OPEB Trust Fund (Commission). At June 30, 2019, the Commission OPEB Trust had \$4,594,696 invested in the State Treasurer's Local Government Other Postemployment Benefits (OPEB) Trust pursuant to G.S. 159-30.1. The State Treasurer's OPEB Trust may invest in public equities and both long- and short-term fixed income obligations as determined by the State Treasurer pursuant to the General Statutes. At year-end, the Commission's OPEB Trust was invested as follows: State Treasurer's STIF 31%; State Treasurer's BIF 12%; and BlackRock's MSCI ACWI EQ Index Non-Lendable Class B Fund 57% (the equities were split with 55.3% in domestic securities and 44.7% in international securities).

Interest Rate Risk (Commission OPEB). The Commission does not have a formal investment interest rate policy for the OPEB Trust Fund that manages its exposure to fair value losses arising from increasing interest rates. The State Treasurer's STIF is unrated and had a weighted average maturity of 1.3 years at June 30, 2019. The State Treasurer's BIF is unrated and had a weighted average maturity of 7.81 years at June 30, 2019.

Credit Risk (Commission OPEB). The Commission does not have a formal investment policy regarding credit risk for the OPEB Trust Fund. The State Treasurer's STIF is unrated and authorized under North Carolina General Statute 147-69.1. The State Treasurer's STIF is invested in highly liquid fixed income securities consisting primarily of short- to intermediate-term treasuries, agencies, and money market instruments. The BIF is unrated and authorized under North Carolina General Statute 147-69.1 and 147-69.2. The State Treasurer's BIF is invested in high quality debt securities eligible under G.S. 147-69.2(b)(1)-(6).

Level of the Fair Value Hierarchy for OPEB Investments (City and Commission). 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, 2019 of 1.3 years.

Ownership of the BIF is determined monthly at fair value using the same Level 2 inputs as the STIF 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. The BIF, which does not have a credit rating, was valued at \$1 per unit and had an average maturity of 7.81 years at June 30, 2019.

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The BlackRock's MSCI ACWI EQ 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, 2019, the fair value of the funds was \$22.562358 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.

Valuation Technique. North Carolina Department of State Treasurer OPEB Trust 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.

Reconciliation of footnote to basic financial statements:

	<u>City</u>	<u>Commission</u>	<u>Total</u>
Total per Footnote:			
Investments	\$ 42,753,488	\$ 150,763,964	\$ 193,517,452
Investments - OPEB Trust Fund	5,604,886	4,594,696	10,199,582
Cash	7,764,676	27,277,207	35,041,883
Certificates of deposit	1,082,956	15,079,590	16,162,546
Petty cash	7,336	6,700	14,036
Total	<u>\$ 57,213,342</u>	<u>\$ 197,722,157</u>	<u>\$ 254,935,499</u>

Total per Statement of Net Assets:

Cash and investments - unrestricted	\$ 173,739,942
Cash and investments - restricted	70,838,639
Cash and investments - Pension Trust Funds	10,199,582
Cash and cash equivalents - Agency Fund	157,336
	<u>\$ 254,935,499</u>

3. Receivables – Allowances for Doubtful Accounts

Receivables at the government-wide level at June 30, 2019 were as follows:

	<u>Amount</u>	<u>Allowance for Doubtful Accounts</u>	<u>Net Receivables</u>
Governmental Activities:			
Taxes receivable	\$ 464,938	\$ 285,422	\$ 179,516
Accounts receivable:			
Rescue fees receivable	4,964,444	2,482,222	2,482,222
Lot cutting fees receivable	107,748	-	107,748
Parking violations receivable	176,938	-	176,938
Loans receivable	752,055	-	752,055
Other receivables	4,311,983	505,863	3,806,120
Interest receivable	342	-	342
Due from other governments	4,848,637	-	4,848,637
Total governmental activities	<u>\$ 15,627,085</u>	<u>\$ 3,273,507</u>	<u>\$ 12,353,578</u>
Business-Type Activities:			
Greenville Utilities Commission	\$ 36,252,373	\$ 5,920,009	\$ 30,332,364
Other nonmajor enterprise	15,599,164	-	15,599,164
Due from other governments	3,209,351	-	3,209,351
Total business-type activities	<u>\$ 55,060,888</u>	<u>\$ 5,920,009</u>	<u>\$ 49,140,879</u>

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The Commission has entered into an agreement to supply supplemental water to Stokes Regional Water Corporation ("SRWC"). The agreement required the Commission to construct a water transmission main to connect with SRWC and to finance a portion of the project's cost. At the end of the fiscal year, the note receivable due from SRWC was \$267,633; payable in monthly installments for 15 years at a 5.25% interest rate.

4. Capital Assets

Primary Government.

Capital asset activity for the primary government for the year ended June 30, 2019 was as follows:

	Balance June 30, 2018	Additions	Deletions	Transfers/CIP	Balance June 30, 2019
Governmental Activities					
Capital Assets Not Being Depreciated:					
Land	\$ 41,772,725	\$ 103,355	\$ (15,122)	\$ 276,455	\$ 42,137,413
Right-of-way easements	9,123,917	1,608,200	-	-	10,732,117
Construction in progress	26,460,685	3,837,952	-	(421,802)	29,876,835
Total capital assets not being depreciated	<u>77,357,327</u>	<u>5,549,507</u>	<u>(15,122)</u>	<u>(145,347)</u>	<u>82,746,365</u>
Capital Assets Being Depreciated:					
Buildings	68,822,163	97,181	(625,285)	5,956	68,300,015
Improvements	6,750,759	-	(493,704)	-	6,257,055
Intangible	4,202,398	-	(2,179,998)	-	2,022,400
Infrastructure	90,981,943	5,227,678	-	-	96,209,621
Vehicles	5,147,365	7,322	(202,408)	-	4,952,279
Machinery and equipment	18,825,043	502,661	(1,017,134)	139,391	18,449,961
Total capital assets being depreciated	<u>194,729,671</u>	<u>5,834,842</u>	<u>(4,518,529)</u>	<u>145,347</u>	<u>196,191,331</u>
Less Accumulated Depreciation for:					
Buildings	(36,464,820)	(1,973,283)	615,745	-	(37,822,358)
Improvements	(6,244,066)	(105,181)	493,704	-	(5,855,543)
Intangible	(3,295,066)	(314,815)	2,179,998	-	(1,429,883)
Infrastructure	(28,113,022)	(1,826,243)	-	-	(29,939,265)
Vehicles	(4,274,318)	(131,355)	202,407	-	(4,203,266)
Machinery and equipment	(15,891,698)	(1,369,225)	1,017,134	-	(16,243,789)
Total accumulated depreciation	<u>(94,282,990)</u>	<u>(5,720,102)</u>	<u>4,508,988</u>	<u>-</u>	<u>(95,494,104)</u>
Total capital assets being depreciated, net	<u>100,446,681</u>	<u>114,740</u>	<u>(9,541)</u>	<u>145,347</u>	<u>100,697,227</u>
Governmental activities capital assets, net	<u>\$ 177,804,008</u>	<u>\$ 5,664,247</u>	<u>\$ (24,663)</u>	<u>\$ -</u>	<u>\$ 183,443,592</u>

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	Balance June 30, 2018	Additions	Deletions	Transfers/CIP	Balance June 30, 2019
Internal Service Fund:					
(reported in Governmental Activities)					
Capital Assets Not Being Depreciated:					
Construction in progress	\$ 34,955	\$ 2,591,340	\$ -	\$ (34,955)	\$ 2,591,340
Total capital assets not being depreciated	34,955	2,591,340	-	(34,955)	2,591,340
Capital Assets Being Depreciated:					
Building	903,162	-	-	-	903,162
Vehicles	28,042,863	4,204,825	(894,585)	34,955	31,388,058
Machinery and equipment	2,157,280	428,083	(24,116)	-	2,561,247
Improvements	85,211	-	-	-	85,211
Total capital assets being depreciated	31,188,516	4,632,908	(918,701)	34,955	34,937,678
Less Accumulated Depreciation for:					
Building	(155,495)	(59,422)	-	-	(214,917)
Vehicles	(17,016,593)	(2,572,604)	820,548	-	(18,768,649)
Machinery and equipment	(1,412,810)	(194,068)	23,961	-	(1,582,917)
Improvements	(23,947)	(6,462)	-	-	(30,409)
Total accumulated depreciation	(18,608,845)	(2,832,556)	844,509	-	(20,596,892)
Total capital assets being depreciated, net	12,579,671	1,800,352	(74,192)	34,955	14,340,786
Capital assets, net	\$ 12,614,626	\$ 4,391,692	\$ (74,192)	\$ -	\$ 16,932,126

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

General government	\$ 1,092,774
Public safety	1,263,492
Economic and physical development	9,967
Cultural and recreational	1,516,060
Transportation	11,566
Infrastructure	1,826,243
Total	\$ 5,720,102
General Government - Internal Service Fund	\$ 2,832,556

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Business-Type Activities.

A summary of changes in the City's capital assets used in business-type activities follows. This schedule represents business-type activity capital assets managed by the City, excluding the Commission.

	Balance				Balance
	June 30, 2018	Additions	Deletions	Transfers/CIP	June 30, 2019
Business-Type Activities					
Capital Assets Not Being Depreciated:					
Construction in progress	\$ 2,742,415	\$ 12,064,419	\$ -	\$ -	\$ 14,806,834
Total capital assets not being depreciated	<u>2,742,415</u>	<u>12,064,419</u>	<u>-</u>	<u>-</u>	<u>14,806,834</u>
Capital Assets Being Depreciated:					
Buildings	407,664	-	-	-	407,664
Machinery and equipment	657,020	67,736	-	-	724,756
Vehicles	5,433,229	2,072,108	(352,628)	-	7,152,709
Infrastructure	8,689,244	923,433	-	-	9,612,677
Total capital assets being depreciated	<u>15,187,157</u>	<u>3,063,277</u>	<u>(352,628)</u>	<u>-</u>	<u>17,897,806</u>
Less Accumulated Depreciation for:					
Buildings	(405,372)	(367)	-	-	(405,739)
Machinery and equipment	(572,830)	(16,437)	-	-	(589,267)
Vehicles	(4,524,328)	(291,919)	352,628	-	(4,463,619)
Infrastructure	(368,295)	(295,519)	-	-	(663,814)
Total accumulated depreciation	<u>(5,870,825)</u>	<u>(604,242)</u>	<u>352,628</u>	<u>-</u>	<u>(6,122,439)</u>
Total capital assets being depreciated, net	<u>9,316,332</u>	<u>2,459,035</u>	<u>-</u>	<u>-</u>	<u>11,775,367</u>
Business-type activity capital assets, net	<u>\$ 12,058,747</u>	<u>\$ 14,523,454</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,582,201</u>

(1) As discussed in Note III. D., the City has reported a prior period adjustment related to capital assets.

CITY OF GREENVILLE, NORTH CAROLINA
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Capital asset activity for the Commission for the year ended June 30, 2019 was as follows:

	Balance June 30, 2018	Additions	Deletions	Transfers/CIP	Balance June 30, 2019
Capital Assets Not Being Depreciated:					
Land	\$ 8,375,720	\$ -	\$ -	\$ -	\$ 8,375,720
Easements	119,567	367,105	-	97,990	584,662
Construction in progress	26,982,412	15,925,060	-	(17,661,368)	25,246,104
Total capital assets not being depreciated	<u>35,477,699</u>	<u>16,292,165</u>	<u>-</u>	<u>(17,563,378)</u>	<u>34,206,486</u>
Capital Assets Being Depreciated:					
Land improvements	3,562,298	-	-	-	3,562,298
General plant	13,143,989	111,588	-	-	13,255,577
Utility plant	168,638,402	1,083,814	-	2,172,916	171,895,132
Computer software	32,798,763	11,096	-	-	32,809,859
Vehicles and equipment	27,152,364	1,910,096	(502,357)	-	28,560,103
Distribution systems	458,324,815	11,161,549	-	5,556,021	475,042,385
Transmission systems	33,300,938	(303,058)	-	9,834,441	42,832,321
Computer hardware	3,437,445	176,518	-	-	3,613,963
Fiber optics	2,296,621	83,240	-	-	2,379,861
Total capital assets being depreciated	<u>742,655,635</u>	<u>14,234,843</u>	<u>(502,357)</u>	<u>17,563,378</u>	<u>773,951,499</u>
Less Accumulated Depreciation for:					
Land improvements	1,377,527	155,098	-	-	1,532,625
General plant	7,150,664	353,937	-	-	7,504,601
Utility plant	70,778,007	4,755,465	-	-	75,533,472
Computer software	11,937,060	1,904,974	-	-	13,842,034
Vehicles and equipment	23,478,865	1,678,167	(502,357)	-	24,654,675
Distribution systems	242,087,529	11,758,896	-	-	253,846,425
Transmission systems	23,763,575	1,348,143	-	-	25,111,718
Computer hardware	3,115,792	134,886	-	-	3,250,678
Fiber optics	1,348,665	114,764	-	-	1,463,429
Total accumulated depreciation	<u>385,037,684</u>	<u>22,204,330</u>	<u>(502,357)</u>	<u>-</u>	<u>406,739,657</u>
Total capital assets being depreciated, net	<u>357,617,951</u>	<u>(7,969,487)</u>	<u>-</u>	<u>17,563,378</u>	<u>367,211,842</u>
Net Capital Assets	<u>\$ 393,095,650</u>	<u>\$ 8,322,678</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 401,418,328</u>

Depreciation expense is charged to the Electric, Water, Sewer, and Gas Funds. Amounts charged to the four funds for the year ended June 30, 2019 totaled \$9,725,679, \$4,009,278, \$6,094,622, and \$2,374,751, respectively.

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Construction Commitments (Commission).

The Commission has active construction projects as of June 30, 2019. At year-end, the Commission's commitments with contractors were as follows:

Project Name	Spent-to-Date	Remaining Commitments
Electric transmission system	\$ 2,518,862	\$ 741,395
Electric distribution system	1,298,628	6,927
Water treatment and distribution system	3,732,536	2,665,211
Sewer treatment and collection system	7,248,506	790,886
Natural gas distribution system	31,258	26,000
Administrative facilities	10,303,832	42,813,993
Total	\$ 25,133,622	\$ 47,044,412

B. Liabilities

Accounts Payable and Accrued Liabilities.

Payables at the government-wide level at June 30, 2019 were as follows:

Type of Payable	Governmental Activities	Business-Type Activities
Trade payable	\$ 3,622,507	\$ 22,693,413
Accrued salaries and fringe benefits	1,109,050	977,195
Other accrued expenses	-	2,267
Total	\$ 4,731,557	\$ 23,672,875

1. Pension Plan Obligations

a. Local Governmental Employees' Retirement System

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

CITY OF GREENVILLE, NORTH CAROLINA

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

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

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. City of Greenville and Commission employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The City of Greenville's contractually required contribution rate for the year ended June 30, 2019 was 8.50% of compensation for law enforcement officers and 7.75% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the City of Greenville were \$3,322,792 for the year ended June 30, 2019. The Commission's contributions to LGERS were \$2,481,599 for the year ended June 30, 2019.

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

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

At June 30, 2019, the City reported a liability of \$15,074,099 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. The total pension liability was then rolled forward to the measurement date of June 30, 2018 utilizing update procedures incorporating the actuarial assumptions. The City's proportion of the net pension liability was based on a projection of the City's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2018, the City's proportion was 0.63541%, which was a decrease of 0.04059% from its proportion measured as of June 30, 2017.

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For the year ended June 30, 2019, the City recognized pension expense of \$3,796,695. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,325,575	\$ 78,035
Net difference between projected and actual earnings on pension plan investments	2,069,226	-
Changes in proportion and differences between contributions and proportionate share of contributions	33,588	667,530
Changes of assumptions	4,000,083	-
Contributions subsequent to the measurement date	3,322,792	-
Total	<u>\$ 11,751,264</u>	<u>\$ 745,565</u>

\$3,322,792 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2020. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	
2020	\$ 3,735,267
2021	2,438,038
2022	380,408
2023	1,129,194
Total	<u>\$ 7,682,907</u>

Actuarial Assumptions. The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.05%
Salary increases	3.50% to 8.10%, including inflation and productivity factor
Investment rate of return	7.00%, 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, 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, 2017 actuarial valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

Future ad-hoc cost of living adjustment (COLA) amounts are not considered to be substantively automatic and are, therefore, not included in the measurement.

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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, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	29.0%	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%
	<u>100.0%</u>	

The information above is based on 30-year expectations developed with the consulting actuary for the 2017 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.05%. All rates of return and inflation are annualized.

Discount Rate. The discount rate used to measure the total pension liability was 7.00%. 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 City's Proportionate Share of the Net Pension Asset to Changes in the Discount Rate. The following presents the City's proportionate share of the net pension asset calculated using the discount rate of 7.00%, as well as what the City's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
City's proportionate share of the net pension liability	<u>\$ 36,209,290</u>	<u>\$ 15,074,099</u>	<u>\$ 2,492,675</u>

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

CITY OF GREENVILLE, NORTH CAROLINA
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Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Commission).

At June 30, 2019, the Commission reported a liability of \$10,970,895 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2017. The total pension liability was then rolled forward to the measurement date of June 30, 2018 utilizing update procedures incorporating the actuarial assumptions. The Commission's proportion of the net pension liability was based on a projection of the Commission'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, 2018, the Commission's proportion was 0.46245%, which was an increase of 0.01163% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the Commission recognized pension expense of \$3,229,926. At June 30, 2019, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,692,549	\$ 56,793
Changes of assumptions	2,911,252	-
Net difference between projected and actual earnings on pension plan investments	1,505,978	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	233,378	-
Commission contributions subsequent to the measurement date	2,481,599	-
Total	<u>\$ 8,824,756</u>	<u>\$ 56,793</u>

\$2,481,599 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2020. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30:</u>	
2020	\$ 3,009,360
2021	1,978,935
2022	401,437
2023	896,632
Total	<u>\$ 6,286,364</u>

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Sensitivity of the Commission's Proportionate Share of the Net Pension Asset to Changes in the Discount Rate. The following presents the Commission's proportionate share of the net pension asset calculated using the discount rate of 7.00%, as well as what the Commission'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%) or one percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Commission's proportionate share of the net pension liability	<u>\$ 26,353,042</u>	<u>\$ 10,970,895</u>	<u>\$ 1,882,666</u>

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

b. Law Enforcement Officers Special Separation Allowance

1. *Plan Description.*

The City of Greenville administers a public employee retirement system (the "Separation Allowance"), a single-employer defined benefit pension plan that provides retirement benefits to the City's qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to 0.85% of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time City law enforcement officers are covered by the Separation Allowance. At December 31, 2017 the Separation Allowance's membership consisted of:

Retirees receiving benefits	25
Terminated plan members entitled to, but not yet receiving, benefits	-
Active plan members	<u>187</u>
Total	<u><u>212</u></u>

A separate report is not issued for the plan.

2. *Summary of Significant Accounting Policies.*

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

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

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3. Actuarial Assumptions.

The entry age normal actuarial cost method was used in the December 31, 2017 valuation. The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary increases	3.50% to 7.35%, including inflation and productivity factor
Discount rate	3.64%

The discount rate is based on the yield of the S&P Municipal Bond 20-year High Grade Rate Index determined as of December 21, 2017.

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

4. Contributions.

The City is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay-as-you-go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The City's obligation to contribute to this plan is established, and may be amended, by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The City paid \$456,393 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, 2019, the City reported a total pension liability of \$7,938,326. The total pension liability was measured as of December 31, 2018 based on a December 31, 2017 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2018 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2019, the City recognized pension expense of \$528,806.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 165,259
Changes of assumptions	298,681	335,236
City benefit payments and plan administrative expenditures paid subsequent to the measurement date	257,899	-
Total	<u>\$ 556,580</u>	<u>\$ 500,495</u>

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Subsequent to the measurement date, \$257,899 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred will be recognized as a decrease of the total pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30:</u>	
2020	\$ (44,405)
2021	(44,405)
2022	(44,405)
2023	(25,975)
2024	(42,624)
	<u>\$ (201,814)</u>

Subsequent to the measurement date, \$257,899 paid as benefits came due and \$-0- of administrative expenses are reported as deferred outflows of resources.

Sensitivity of the City's Total Pension Liability to Changes in the Discount Rate. The following presents the City's total pension liability calculated using the discount rate of 3.64%, as well as what the City's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.64%) or 1-percentage-point higher (4.64%) than the current rate:

	<u>1% Decrease</u> <u>(2.64%)</u>	<u>Discount Rate</u> <u>(3.64%)</u>	<u>1% Increase</u> <u>(4.64%)</u>
Total pension liability	<u>\$ 8,567,259</u>	<u>\$ 7,938,326</u>	<u>\$ 7,360,846</u>

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

Beginning balance	\$ 8,183,588
Service cost	320,485
Interest on the total pension liability	251,390
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	(65,436)
Changes of assumptions or other inputs	(295,308)
Benefit payments	(456,393)
Other changes	-
Ending balance of the total pension liability	<u>\$ 7,938,326</u>

The plan currently uses mortality tables that vary by age, and health status (i.e., disabled, 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.

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	LGERS (City)	LGERS (Commission)	LEOSSA	TOTAL
Proportionate Share of Net Pension Liability (Asset)	\$ 15,074,099	\$ 10,970,895	\$ -	\$ 26,044,994
Proportion of the Net Pension Liability (Asset)	0.6354%	0.46245%	N/A	N/A
Total Pension Liability	\$ -	\$ -	\$ 7,938,326	\$ 7,938,326
Pension Expense	\$ 3,796,695	\$ 3,229,926	\$ 528,806	\$ 7,555,427
Deferred Outflows of Resources				
Difference between expected and actual experience	\$ 2,325,575	\$ 1,692,549	\$ -	\$ 4,018,124
Changes of assumptions	\$ 4,000,083	\$ 2,911,252	\$ 298,681	\$ 7,210,016
Net difference between projected and actual earnings on pension plan investments	\$ 2,069,226	\$ 1,505,978	\$ -	\$ 3,575,204
Changes in proportion and differences between City contributions and proportionate share of contributions	\$ 33,588	\$ 233,378	\$ -	\$ 266,966
City contributions (LGERS)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date	\$ 3,322,792	\$ 2,481,599	\$ 257,899	\$ 6,062,290
Deferred inflows of Resources				
Differences between expected and actual experience	\$ 78,035	\$ 56,793	\$ 165,259	\$ 300,087
Changes of assumptions	\$ -	\$ -	\$ 335,236	\$ 335,236
Changes in proportion and differences between City contributions and proportionate share of contributions	\$ 667,530	\$ -	\$ -	\$ 667,530

c. Supplemental Retirement Income Plan for Law Enforcement Officers

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

Funding Policy. Article 12E of G.S. Chapter 143 requires the City to contribute each month an amount equal to 5% 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 City contributed \$568,777 for the year ended June 30, 2019. No amounts were forfeited.

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d. Postemployment Benefits

Deferred Compensation Plan. The City offers its employees two deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to all City employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Participation in the plan is at the option of the employee.

Investments are managed by the plan's trustee under one of four investment options, or a combination thereof. The choice of the investment option(s) is made by the participants.

e. Other Postemployment Benefits

1. *Healthcare Benefits Plan (City Except Commission)*

Plan Description

Plan Description. The City administers the City of Greenville Other Postemployment Benefits Plan (City OPEB Plan), a single-employer defined benefit plan for post-retirement healthcare and life insurance benefits for retired or disabled employees. An employee is eligible for retirement when he/she reaches 50 years of age and has completed 20 years of service or reaches age 60 and has completed five years of service. Also, an employee is eligible for disability retirement when he/she has completed five years of service. Upon service, early or disability retirement as approved by the North Carolina Local Governmental Employees' Retirement System, and upon meeting the criteria established by the City, employees with a minimum of five continuous years of service with the City are eligible to continue insurance coverage. The City obtains post-65 healthcare and life insurance coverage through a private insurer and is self-funding the health insurance coverage for pre-65 retirees up to \$200,000 per person per year. The City Council may amend the benefit provisions. A separate report is not issued for the plan.

Management of the City's OPEB Plan is vested in the City Council.

Plan Membership. Membership of the plan consisted of the following at December 31, 2018, the date of the latest actuarial valuation:

Inactive plan members or beneficiaries currently receiving benefit payments	251
Inactive plan members entitled to, but not yet receiving, benefit payments	-
Active plan members	746
	997
Total	997

Benefits Provided. Healthcare and prescription drugs are provided in the City's retiree healthcare plan. A retiree life insurance benefit of \$7,000 is provided to those retirees who were hired prior to August 1, 1975.

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Contributions. The City’s obligation to contribute to the post-retirement benefit plan is established and may be amended by the City Council. Members hired prior to July 1, 2011 who retire with at least 20 years of service, contribute 5% of the estimated cost for pre-65 healthcare coverage for the retiree. Members hired prior to July 1, 2011, who retire with less than 20 years of service, contribute 100% of the estimated cost for pre-65 healthcare coverage for the retiree. Retirees who elect to have dependent healthcare coverage, contribute 100% of the estimated cost of the coverage. Participating retired employees hired prior to July 1, 2011 with a minimum of 20 years of service shall have their coverage transferred to a Medicare Supplemental Plan after qualifying for Medicare, with the City continuing to pay the same dollars towards the premium cost as it pays for retirees under the base plan. For retired employees hired on or after July 1, 2011 with a minimum of 20 years of service, the contribution rate for post-65 benefits consists of a \$250 monthly stipend defined contribution amount. The City pays 50% of the total life insurance premium cost for those retirees who have that benefit. Members hired on or after July 1, 2011 who retire with less than 20 years of service, will not be eligible for post-retirement coverage. The contribution rates for pre-65 benefits for members hired on or after July 1, 2011 will be based on the member’s age at retirement and their length of service as detailed below:

<u>Years of Service</u>	<u>Age at Retirement</u>	
	<u>55-59</u>	<u>60+</u>
20 - 24 years	50%	65%
25+ years	75%	95%

The City is required to contribute the projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the Council. For the current year, the City contributed \$2,943,838. The City OPEB Plan is accounted for as a trust fund.

Investments

Investment Policy. The City’s policy in regard to the investment of funds is established and may be amended by the City Council. It is the policy of the Council to pursue an investment strategy that achieves a balance between risk and return. The Council’s primary investment objectives, in priority order, are safety, liquidity, and yield. An Investment Advisory Committee provides recommendations to management. Investments are valued at fair value.

Several factors should be considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) are developed by the investment consultant for each major asset class. These ranges should be 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 then adding expected inflation. The capital market assumptions developed by the investment consultant may cover a shorter investment horizon and may not be useful in setting the long-term rate of return for funding OPEB plans which are likely to cover a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

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As of the most recent adoption of the current long-term rate of return by the City OPEB Plan, the target asset allocation for each major asset class, as provided by the plan, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity Index Fund	35.00%	7.0%
Bond Index Fund	15.00%	7.0%
Short-Term Investment Fund	50.00%	7.0%
Total	100.00%	

Note: The long-term expected return assumption prescribed by the plan under the plan's fiduciary responsibilities was based on the plan's approximate return on investment since the OPEB Trust Fund's inception.

Rate of Return. For the year ended June 30, 2019, the annual money weighted rate of return on investments, net of investment expense, was 7.00%. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability. The components of the net OPEB liability of the City at June 30, 2019 were as follows:

Total OPEB liability	\$ 53,680,537
Plan fiduciary net position	(5,604,886)
City's net OPEB liability	\$ 48,075,651

Plan fiduciary net position as a percentage of the total OPEB liability	10.44%
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Actuarial Assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2018 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Real wage growth	1.00%
Wage inflation	3.50%
Salary increases, including wage inflation	
General Employees	3.50% - 7.75%
Firefighters	3.50% - 7.75%
Law Enforcement Officers	3.50% - 7.35%
Long-term investment rate of return, net of OPEB plan investment expense, including price inflation	7.00%
Municipal bond index rate	
Prior measurement date	3.89%
Measurement date	3.50%
Year fiduciary net position is projected to be depleted	
Prior measurement date	N/A
Measurement date	N/A

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Single equivalent interest rate, net of OPEB plan investment expense, including price inflation	
Prior measurement date	7.00%
Measurement date	7.00%
Healthcare cost trend rates	
Pre-Medicare	7.25% for 2018 decreasing to an ultimate rate of 4.75% by 2028
Medicare	5.38% for 2018 decreasing to an ultimate rate of 4.75% by 2022

The remaining actuarial assumptions (e.g., initial per capita costs, healthcare cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2018 valuation were based on a review of recent plan experience done concurrently with the June 30, 2018 valuation.

The long-term expected rate of return is based upon the historical returns of the plan's investments, which have consistently approximated 7% for each of the previous five years. The plan's administrator expects to continue to invest the plan's assets as they have in the past and, therefore, expects the long-term rate of return on OPEB plan investments to approximate 7%.

Total OPEB liabilities were rolled forward to June 30, 2019 for the employer and the plan, utilizing update procedures incorporating the actuarial assumptions.

The discount rate used to measure the total OPEB liability was based on the single equivalent interest rate ("SEIR"). Mortality rates were based on the RP-2014 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2015. The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014, adopted by the LGERS Board.

Discount Rate. The discount rate used to measure the total OPEB liability ("TOL") as of the measurement date was 7.00%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 74. The projection's basis was an actuarial valuation performed as of June 30, 2018. In addition to the actuarial methods and assumptions of the June 30, 2018 actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.50%.
- Active employees do not explicitly contribute to the plan.
- In all years, the employer pays benefits directly to plan members as the benefits come due. The employer is assumed to have the ability and willingness to make benefit payments from its own resources for all periods in the projection.
- In addition to the direct payment of benefits, the employer will contribute \$700,000 to the trust for fiscal year ending June 30, 2020. The contribution to the trust will be increased \$100,000 each year until the contribution reaches \$1,000,000.
- Projected assets do not include employer contributions that fund the estimated service costs of future employees.
- Cash flows occur mid-year.

Based on these assumptions, the plan's fiduciary net position ("FNP") was projected to not be depleted.

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The FNP projections are based upon the plan's financial status on the Valuation Date, the indicated set of methods and assumptions, and the requirements of GASB 74. As such, the FNP projections are not reflective of the cash flows and asset accumulations that would occur on an ongoing plan basis, reflecting the impact of future members. Therefore, the results of this test do not necessarily indicate whether or not the fund will actually run out of money, the financial condition of the plan, or the plan's ability to make benefit payments in future years.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current discount rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Net OPEB liability	\$ 55,992,090	\$ 48,075,651	\$ 41,630,294

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

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Net OPEB liability	\$ 40,758,105	\$ 48,075,651	\$ 57,195,034

Changes in Net OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At June 30, 2019, the City reported a net OPEB liability of \$48,075,651. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018. The total OPEB liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions.

At June 30, 2019, the components of the net OPEB liability of the City, measured as of June 30, 2019, were as follows:

	Total OPEB Liability	Increase (Decrease) Plan Fiduciary Net Position	Net OPEB Liability
Balance at July 1, 2018	\$ 57,489,964	\$ 4,814,982	\$ 52,674,982
Changes for the year:			
Service cost	1,079,252	-	1,079,252
Interest	3,943,651	-	3,943,651
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(7,266,807)	-	(7,266,807)
Changes of assumptions or other inputs	778,315	-	778,315
Contributions - employer	-	2,943,838	(2,943,838)
Net investment income	-	189,904	(189,904)
Benefit payments	(2,343,838)	(2,343,838)	-
Plan administrative expenses	-	-	-
Net changes	(3,809,427)	789,904	(4,599,331)
Balance at June 30, 2019	\$ 53,680,537	\$ 5,604,886	\$ 48,075,651

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For the year ended June 30, 2018, medical trend assumptions changed from 7.75% for pre-Medicare medical and prescription drug costs to 7.25%, decreasing to an ultimate rate of 4.75% rather than 5.00%. For Medicare medical and prescription drug costs, medical trend assumptions changed from 5.75% to 5.38%, decreasing to an ultimate rate of 4.75% rather than 5.00%.

For the year ended June 30, 2019, the City recognized OPEB expense of \$3,980,583. At June 30, 2019, the City 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	\$ 698,534	\$ 6,294,008
Changes of assumptions or other inputs	674,123	-
Net difference between projected and actual earnings on plan investments	209,272	-
Total	\$ 1,581,929	\$ 6,294,008

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

<u>Year Ending June 30:</u>	
2020	\$ (684,625)
2021	(684,625)
2022	(684,627)
2023	(709,639)
2024	(743,197)
Thereafter	(1,205,366)
	\$ (4,712,079)

2. Healthcare Benefits Plan (Commission)

Plan Description

Plan Administration. The Commission administers the Greenville Utilities Commission Other Postemployment Benefits Plan (GUC OPEB Plan), a single-employer defined benefit plan which provides postemployment benefits other than pensions (OPEB) for all eligible retirees. An employee is eligible for retirement when he/she reaches 50 years of age and has completed 20 years of service or reaches age 60 and has completed 5 years of service. Also, an employee is eligible for disability retirement when he/she has completed 5 years of service. Upon service, early or disability retirement as approved by the North Carolina Local Governmental Employees' Retirement System, and upon meeting the criteria established by the Commission, employees with a minimum of 5 continuous years of service with the Commission, if hired before July 1, 2011 or with a minimum of 20 continuous years of service with the Commission if hired on or after July 1, 2011, are eligible to continue insurance coverage. The Commission obtains post-65 healthcare coverage and life insurance coverage through a private insurer and self-funds the healthcare coverage for pre-65 retirees up to \$200,000 per person per year. A separate report was not issued for the plan.

Management of the GUC OPEB Plan is vested in the GUC Board of Commissioners.

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Plan Membership. At June 30, 2018, the valuation date, the GUC OPEB Plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	167
Inactive plan members entitled to but not yet receiving benefit payments	-
Active members	<u>448</u>
Total	<u><u>615</u></u>

Benefits Provided. The GUC OPEB Plan provides post-retirement healthcare, prescription drugs, and vision benefits for retired or disabled employees. A retiree life insurance benefit of \$7,000 is provided to those retirees who were hired prior to August 1, 1975.

Contributions. The Commission's obligation to contribute to the post-retirement benefit plan is established and may be amended by the GUC Board of Commissioners. Members hired prior to July 1, 2011 who retire with at least 20 years of service, contribute 5% of the estimated cost for pre-65 healthcare coverage for the retiree. Members hired prior to July 1, 2011 who retire with less than 20 years of service, contribute 100% of the estimated cost for pre-65 healthcare coverage for the retiree. Retirees who elect to have dependent healthcare coverage, contribute 100% of the estimated cost of coverage. Participating retired employees hired prior to July 1, 2011 with a minimum of 20 years of service, shall have their coverage transferred to a Medicare Supplemental Plan after qualifying for Medicare, with the Commission continuing to pay the same dollars toward the premium cost as it pays for retirees under the base plan. For retired employees hired on or after July 1, 2011 with a minimum of 20 years of service, the contribution rate for post-65 benefits consists of a \$250 monthly stipend defined contribution amount. The Commission pays 50% of the total life insurance premium cost for those retirees who have that benefit. Members hired on or after July 1, 2011 who retire with less than 20 years of service, will not be eligible for post-retirement coverage. The contribution rates for pre-65 benefits for members hired on or after July 1, 2011 will be based on the member's age at retirement and their length of service as detailed below:

<u>Years of Service</u>	<u>Age at Retirement</u>	
	<u>55-59</u>	<u>60+</u>
20 - 24 years	50%	65%
25+ years	75%	95%

The Commission is required to contribute the projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the Board. For the current year, the Commission contributed \$2,531,176. The GUC OPEB Plan is accounted for as a trust fund.

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Investments

Investment Policy. As of the most recent adoption of the current long-term rate of return by the GUC OBEP Plan, the target asset allocation and best estimates of real rates of return for each major asset class, as provided by the GUC OPEB Plan's investment strategies, are summarized in the following table:

Asset Class	Target Allocation	10-Year Expected Real Rate of Return
Equity	60.00%	7.40%
Bonds	10.00%	3.06%
Cash and Cash Equivalents	30.00%	2.89%
Total	100.00%	

Note: In setting the long-term expected return for the GUC OPEB Plan, projections employed to model future returns provide a range of expected long-term returns that ultimately support a long-term expected rate of return assumption of 7.00%.

Rate of Return. For the year ended June 30, 2019, the annual money weighted rate of return on investments, net of investment expense, was 4.67%. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the Commission

At June 30, 2019, the components of the net OPEB liability of the Commission were as follows:

Total OPEB liability (TOL)	\$ 51,362,302
Plan fiduciary net position (FNP)	(4,594,696)
Commission's net OPEB liability (NOL)	\$ 46,767,606

Plan fiduciary net position as a percentage of the total OPEB liability	8.95%
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Actuarial Assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2018 using the following actual assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Real wage growth	1.00%
Wage inflation	3.50%
Salary increases, including wage inflation	
General Employees	3.50% - 7.75%
Long-term investment rate of return, net of OPEB plan investment expense, including price inflation	7.00%
Municipal bond index rate	
Prior measurement date	3.89%
Measurement date	3.50%
Year fiduciary net position is projected to be depleted	
Prior measurement date	2050
Measurement date	2036

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Single equivalent interest rate, net of OPEB plan investment expense, including price inflation	
Prior measurement date	5.74%
Measurement date	4.12%
Healthcare cost trend rates	
Pre-Medicare	7.25% for 2018 decreasing to an ultimate rate of 4.75% by 2028
Medicare	5.38% for 2018 decreasing to an ultimate rate of 4.75% by 2022

The TOL determined by the June 30, 2018 valuation date was rolled forward to the June 30, 2019 measurement date using standard roll forward techniques. The roll forward calculation begins with the TOL, as of June 30, 2018, subtracts the expected benefit payments and refunds for the year, applies interest at the discount rate for the year, and then adds the annual normal cost (also called the Service Cost). An expected TOL is then determined as of June 30, 2019 beginning with the TOL as of June 30, 2017 using the same roll forward methodology. Actuarial gains and losses arising from the change in the SEIR from 5.74% on the prior measurement date to 4.12% on the measurement date are accounted for as changes of assumptions or other inputs.

The discount rate used to measure the total OPEB liability was based on the SEIR.

Mortality rates were based on the RP-2014 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2015.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014, adopted by the LGERS.

The remaining actuarial assumptions (e.g., initial per capita costs, healthcare cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2018 valuation were based on a review of recent plan experience done concurrently with the June 30, 2018 valuation.

The long-term expected rate of return on OPEB plan investments was determined using a method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting 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.

Discount Rate. The discount rate used to measure the TOL as of the measurement date was 4.12%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 74. The projection's basis was an actuarial valuation performed as of June 30, 2018. In addition to the actuarial methods and assumptions of the June 30, 2018 actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.50%.
- Active employees do not explicitly contribute to the plan.
- In all years, the employer pays benefits directly to plan members as the benefits come due. The employer is assumed to have the ability and willingness to make benefit payments from its own resources for all periods in the projection.
- Projected assets do not include employer contributions that fund the estimated service costs of future employees.
- Cash flows occur mid-year.

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Based on these assumptions, the plan's FNP was projected to be depleted in 2036 and, as a result, the Municipal Bond Index Rate was used in the determination of the SEIR. Here, the long-term expected rate of return of 7.00% on plan investments was applied to periods through 2036 and the Municipal Bond Index Rate at the measurement date (3.50%) was applied to periods on and after 2036, resulting in an SEIR at the measurement date (4.12%). There was a change in the discount rate from 5.74% at the prior measurement date to 4.12% at the measurement date.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate. The following presents the net OPEB liability of the Commission, as well as what the Commission's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.12%) or 1-percentage-point higher (5.12%) than the current discount rate:

	1% Decrease (3.12%)	Discount Rate (4.12%)	1% Increase (5.12%)
Net OPEB liability	\$ 55,854,830	\$ 46,767,606	\$ 39,545,983

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

	Healthcare Cost Trend Rates		
	1% Decrease	Current	1% Increase
Net OPEB liability	\$ 38,637,888	\$ 46,767,606	\$ 57,212,913

Changes in Net OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At June 30, 2019, the Commission reported a net OPEB liability of \$46,767,606. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018. The total OPEB liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions.

At June 30, 2019, the components of the net OPEB liability of the Commission were as follows:

	Total OPEB Liability	Increase (Decrease) Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2018	\$ 39,546,467	\$ 3,887,880	\$ 35,658,587
Changes for the year:			
Service cost	781,098	-	781,098
Interest	2,212,486	-	2,212,486
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(623,845)	-	(623,845)
Changes of assumptions or other inputs	11,477,272	-	11,477,272
Contributions - employer	-	2,531,176	(2,531,176)
Net investment income	-	206,816	(206,816)
Benefit payments	(2,031,176)	(2,031,176)	-
Net changes	11,815,835	706,816	11,109,019
Balance at June 30, 2019	\$ 51,362,302	\$ 4,594,696	\$ 46,767,606

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Changes of assumptions and other inputs reflect a change in the SEIR from 5.74% on the prior measurement date to 4.12% on the measurement date.

For the year ended June 30, 2019, the Commission recognized OPEB expense of \$3,336,930. At June 30, 2019, the Commission 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	\$ 374,000	\$ 536,349
Changes of assumptions	9,867,556	5,078,248
Net difference between projected and actual earnings on investments	66,766	-
Total	<u>\$ 10,308,322</u>	<u>\$ 5,614,597</u>

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

Year Ending June 30:

2020	\$ 627,283
2021	627,283
2022	627,281
2022	627,091
2023	610,543
Thereafter	<u>1,574,244</u>
	<u>\$ 4,693,725</u>

The financial statements for the City's and Commission's pension trust funds are as follows:

	OPEB Trust Fund (City)	OPEB Trust Fund (Commission)	Pension Trust Fund Total
Statements of Fiduciary Net Position			
Assets:			
Restricted assets			
Cash and cash equivalents	\$ 3,450,984	\$ 1,411,146	\$ 4,862,130
Investments:			
BlackRock MSCI ACWI EQ Index Non-Lendable Fund	1,598,353	2,630,657	4,229,010
NC Non-Pension Fixed Income	555,549	552,893	1,108,442
Total assets	<u>5,604,886</u>	<u>4,594,696</u>	<u>10,199,582</u>
Liabilities:			
Accounts payable	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Net Position:			
Net position restricted for postemployment benefits other than pensions	<u>\$ 5,604,886</u>	<u>\$ 4,594,696</u>	<u>\$ 10,199,582</u>

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	OPEB Trust Fund (City)	OPEB Trust Fund (Commission)	Pension Trust Fund Total
Statements of Changes in Fiduciary Net Position			
Additions:			
Contributions:			
Employer contributions	\$ 2,943,838	\$ 2,535,073	\$ 5,478,911
Total contributions	<u>2,943,838</u>	<u>2,535,073</u>	<u>5,478,911</u>
Investment earnings:			
Interest	57,936	42,073	100,009
Net increase (decrease) in the fair value of investments	132,195	165,094	297,289
Total investment earnings	<u>190,131</u>	<u>207,167</u>	<u>397,298</u>
Less investment expense	227	351	578
Net investment income	<u>189,904</u>	<u>206,816</u>	<u>396,720</u>
Total additions	<u>3,133,742</u>	<u>2,741,889</u>	<u>5,875,631</u>
Deductions:			
Benefits	<u>2,343,838</u>	<u>2,035,073</u>	<u>4,378,911</u>
Total deductions	<u>2,343,838</u>	<u>2,035,073</u>	<u>4,378,911</u>
Change in net position	789,904	706,816	1,496,720
Net position restricted for postemployment benefits other than pensions, beginning of year	<u>4,814,982</u>	<u>3,887,880</u>	<u>8,702,862</u>
Net position restricted for postemployment benefits other than pensions, end of year	<u>\$ 5,604,886</u>	<u>\$ 4,594,696</u>	<u>\$ 10,199,582</u>

2. Other Employment Benefits

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

The City also offers a High Deductible Health plan with a Health Savings Account to which the City contributes \$500 for individual coverage and \$1,000 for employee plus one. Deductibles are set at \$1,500 for an individual and \$3,000 for employee plus one.

CITY OF GREENVILLE, NORTH CAROLINA
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3. Deferred Outflows and Inflows of Resources

Deferred outflows and inflows of resources are comprised of the following:

	Deferred Outflows			Governmental Funds Balance Sheet Deferrals
	Statement of Net Position			
	OPEB Deferrals	Pension Deferrals	Unamortized Bond Refunding	
City				
Contributions to LGERS pension plan in current year	\$ -	\$ 3,322,792	\$ -	\$ -
Benefit payments and administrative expenses for LEOSSA made subsequent to measurement date	-	257,899	-	-
Differences between expected and actual experience	698,534	2,325,575	-	-
Changes of assumptions	674,123	4,298,764	-	-
Net difference between projected and actual investment earnings	209,272	2,069,227	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	33,588	-	-
Charge on refunding	-	-	635,504	-
Commission				
Contributions to LGERS pension plan in current year	-	2,481,598	-	-
Differences between expected and actual experience	374,000	1,692,549	-	-
Changes of assumptions	9,867,556	2,911,252	-	-
Net difference between projected and actual investment earnings	66,766	1,505,978	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	233,378	-	-
Charge on refunding	-	-	1,673,589	-
Total	\$ 11,890,251	\$ 21,132,600	\$ 2,309,093	\$ -

CITY OF GREENVILLE, NORTH CAROLINA
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	Deferred Inflows			Governmental Funds Balance Sheet Deferrals
	Statement of Net Position			
	OPEB Deferrals	Pension Deferrals	Other Deferrals	
City				
Property Tax Receivable	\$ -	\$ -	\$ -	\$ 179,391
Other Receivables (general fund)	-	-	-	3,305,040
Other Receivables (nonmajor governmental funds)	-	-	-	2,523,005
Prepaid Property Taxes General Fund	-	-	-	84
Differences between expected and actual experience	6,294,008	243,294	-	-
Changes of assumptions	-	335,236	-	-
Net difference between projected and actual investment earnings	-	-	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	667,530	-	-
Commission				
Differences between expected and actual experience	536,349	56,793	-	-
Changes of assumptions	5,078,248	-	-	-
Net difference between projected and actual investment earnings	-	-	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-	-	-
Total	\$ 11,908,605	\$ 1,302,853	\$ -	\$ 6,007,520

Unearned Revenue (Commission) consists of connection fees that were paid in advance for services that have not yet been installed. The fees paid in advance will be recognized as revenue at the time the services were installed.

4. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. To mitigate the financial impact of any losses, the City has established a program to manage its financial risks through a self-funded arrangement in combination with purchased insurance. Liability exposures and workers' compensation claims are addressed in the self-funded program. Excess insurance (specific stop-loss coverage) is purchased through third-party sources to cover catastrophic losses that exceed self-insured retention funding. Commercial coverage is carried by the City for property and liability coverage. The City's retention is on a per claim basis as follows:

Coverages	Liability Coverage Limits
Blanket property and personal property	\$84,495,903
Crime	\$1,000,000
Excess liability (general, auto, public officials, law enforcement, firefighters, errors and omission, employer's liability)	\$1,000,000 / \$2,000,000
Umbrella	\$4,000,000 / \$4,000,000
Workers' compensation	Statutory
Workers' compensation employers' liability	\$1,000,000
Public employees' blanket bond	\$1,000,000
Public officials' bonds - Director of Financial Services	\$250,000

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Due to the City being in an area close to a river, it is susceptible to flood damage; therefore, the City carries flood insurance through American Bankers Company for six of its off-site locations. The City has coverage of \$2,215,000 on the properties.

The City and Commission expanded its risk management program to account for and finance its uninsured risk of a loss in health insurance. Under this program, the City and Commission fund coverage up to a maximum of \$200,000 per person, per year. The City purchases commercial insurance for amounts incurred in excess of the self-funded claims limits. The City and the Commission participate in this program and make payments to CIGNA Healthcare of North Carolina, Inc., the third-party administrator, based on the actuary estimates of the amounts needed to pay claims and to establish a reserve for catastrophic losses. Amounts withheld from employees and the City's operating funds are available to pay claims, claims reserve, and the administrative costs of the program.

For the City (except for Commission), the claims liability of \$1,537,000 reported in accounts payable in the Health Insurance Internal Service Fund at June 30, 2019 is based upon the requirements of GASB Statement No. 10, which requires that the liability for claims be reported if information prior to the issuance of the financial statements indicate it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in claims liabilities during the fiscal years ended June 30, 2019 and 2018 are as follows:

	2019	2018
Unpaid claims, beginning	\$ 2,001,000	\$ 1,799,000
Incurred claims and administrative costs	10,837,117	11,849,099
Claim and administrative payments	<u>(11,301,117)</u>	<u>(11,647,099)</u>
Unpaid claims, ending	<u>\$ 1,537,000</u>	<u>\$ 2,001,000</u>

For the Commission, the medical claims liability of \$831,560 included in accounts payable and accrued expenses at June 30, 2019 is based upon the requirements of GASB Statement No. 10, which requires that the liability for claims be reported if information prior to the issuance of the financial statements indicate it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the balances of medical claims liabilities during the fiscal years ended June 30, 2019 and 2018 are as follows:

	2019	2018
Unpaid claims, beginning	\$ 817,586	\$ 749,988
Incurred claims and administrative costs	7,225,729	6,586,103
Claim and administrative payments	<u>(7,211,755)</u>	<u>(6,518,505)</u>
Unpaid claims, ending	<u>\$ 831,560</u>	<u>\$ 817,586</u>

Risk Management (Commission). The Commission is exposed to various risks of loss. The Commission carries commercial coverage for these risks of loss. Through this coverage, the Commission obtains general liability and auto liability coverage of \$1 million per occurrence with a general aggregate of \$3 million, property coverage up to \$267 million for real and personal property, workers' compensation coverage up to the statutory limits, and umbrella liability of \$10 million.

The Commission carries flood insurance on certain properties considered to be at risk for loss due to flooding. This coverage is underwritten by the National Flood Insurance Program.

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Workers' Compensation, General Liability, and Auto Liability. A limited risk management program to provide workers' compensation benefits to City employees is accounted for in the General Fund. The General Fund is reimbursed premium costs by other funds. The interfund premiums are based upon the claims experience of the insured funds and are used to reduce the amount of claims expenditure reported in the General Fund. An excess coverage insurance policy provides for individual claims in excess of \$600,000. The program is accounted for in the General Fund, and premium costs are reimbursed by other funds. The "commercial general liability" and the "auto liability protection" are part of the excess liability policy.

Total reserves are \$570,341.

	2019	2018
Unpaid claims, beginning	\$ 611,270	\$ 888,221
Incurred claims and administrative costs	907,106	679,212
Claim and administrative payments	<u>(948,035)</u>	<u>(956,163)</u>
Unpaid claims, ending	<u>\$ 570,341</u>	<u>\$ 611,270</u>

All reserves and estimated claims reported, but not paid, are reported as part of the commitment for loss reserve within the General Fund.

Fidelity Bonding of Finance Officer and Tax Collector. In accordance with G.S. 159-29, the City's employees that have access to \$100 or more at any given time of the City's funds are performance bonded through a commercial surety bond. The Finance Officer for the City of Greenville and the Tax Collector for Pitt County are bonded for \$250,000 each. For all other individuals who handle, or have in their custody, more than \$100 of the City's funds at any time, or who have access to inventories for the City, are bonded under a blanket bond of \$250,000 per incident.

The Commission's employees that have access to \$100 or more at any given time of the Commission's funds are bonded under a blanket bond for \$500,000. The Chief Financial Officer is individually bonded for \$50,000.

For the City and the Commission, there have been no significant reductions in insurance coverage in the prior year, and settled claims have not exceeded coverage in the past three fiscal years.

5. Claims, Judgments, and Contingent Liabilities

At June 30, 2019, the City, including the Commission, was a defendant to various lawsuits. In the opinion of the City's management and the City's attorney, the ultimate effect of these legal matters will not have a material adverse effect on the City's financial position.

CITY OF GREENVILLE, NORTH CAROLINA
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6. Long-Term Obligations (City)

a. Installment Purchase Contracts

The City issues debt through direct placement and public sales. Current outstanding debt includes both.

Unless otherwise noted below, the Governmental and Business-Type installment purchase agreements contain provisions which terminate the Project or Equipment Funds related to the agreements upon an event of default. Additionally, upon an event of default, the lender may require immediate payment of amounts due or exercise other available remedies, including sale of the property purchased or constructed or collection of rents from the property. The debt is secured by the equipment purchased or constructed project.

A summary of the direct placement installment purchase contracts serviced by the City is as follows:

<u>Governmental Activities</u>	<u>Governmental Funds</u>
2012 Installment Purchase Contract, \$19,950,000 original issue to refund certain existing debt, due in semi-annual installments of \$500,000 to \$1,040,000 through 2025, plus interest at 1.59%. This debt is secured by a Deed of Trust on the buildings, improvements and fixtures purchased or constructed with the funds from the refunded debt.	\$ 6,025,000
due in quarterly installments of \$29,987 to \$61,004 through 2029, plus interest at 2.42%.	1,900,312
2013 Installment Purchase Contract, \$4,997,546 original issue for construction of a parking garage, due in semi-annual installments of \$169,292 to \$255,014 through 2029, plus interest at 3.25%.	3,327,991
2016 Installment Purchase Contract, \$2,100,000 original issue for construction and rehabilitation of gymnasium and related facilities, due in semi-annual installments of \$70,000 to \$75,000 through 2030, plus interest at 2.65%.	1,575,000
2016 Installment Purchase Contract, \$1,500,000 original issue for purchase and renovation of a public safety building, due in semi-annual installments of \$75,000 through 2027, plus interest at 1.98%.	933,923
2018 Installment Purchase Contract \$967,778 original issue for public safety software and equipment, due in semi-annual installments of \$86,054 to \$207,776 through 2024, plus interest at 3.01%	962,778
Total Governmental Activities	<u>\$ 14,725,004</u>

CITY OF GREENVILLE, NORTH CAROLINA
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Business-Type Activities	Sanitation Fund
2013 Installment Purchase Contract, \$315,000 original issue for sanitation equipment, due in semi-annual installments of \$45,000 to \$51,831 through 2020, plus interest at 2.53%.	\$ 90,000
2014 Installment Purchase Contract, \$360,000 original issue for sanitation equipment, due in semi-annual installments of \$52,145 to \$56,450 through 2022, plus interest at 2.79%.	154,286
2015 Installment Purchase Contract, \$425,000 original issue for sanitation equipment, due in semi-annual installments of \$61,548 to \$66,558 through 2022, plus interest at 2.75%.	242,859
Total Business-Type Activities	<u>\$ 487,145</u>

Annual debt service requirements to maturity for the City's private placement installment purchase contracts are as follows:

Year Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2020	\$ 2,707,020	\$ 336,200	\$ 3,043,220
2021	2,091,701	272,984	2,364,685
2022	2,070,975	227,931	2,298,906
2023	2,040,719	183,132	2,223,851
2024	2,027,524	137,077	2,164,601
2025-2029	3,647,065	282,121	3,929,186
2030	140,000	2,793	142,793
Total	<u>\$ 14,725,004</u>	<u>\$ 1,442,238</u>	<u>\$ 16,167,242</u>

Year Ending June 30,	Business-Type Activities		
	Principal	Interest	Total
2020	\$ 157,142	\$ 15,951	\$ 173,093
2021	157,142	11,708	168,850
2022	112,142	7,465	119,607
2023	60,719	3,222	63,941
Total	<u>\$ 487,145</u>	<u>\$ 38,346</u>	<u>\$ 525,491</u>

CITY OF GREENVILLE, NORTH CAROLINA
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b. General Obligation Bonds

The City issues general obligation bonds through direct placement and public sales to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds generally are issued as 20-year serial bonds with equal amounts of principal maturing each year.

A summary of the City's direct placement general obligation bonds outstanding at year end for the Governmental and Business-Type Activities is as follows:

Direct Placement General Fund Obligation Bonds	Governmental Funds	Nonmajor Enterprise Funds
Serviced by the City:		
2016 Public Improvement, Series 2016, refunding bonds, 10,050,000 original issue due in annual installments of \$70,000 to \$1,000,000 through 2027, plus interest at 1.89%. In the event of default, the interest rate will increase 4% to 5.9% until all overdue principal and interest have been paid in full.	\$ 4,384,016	\$ 2,739,371
Total Direct Placement General Obligation Bonds	\$ 4,384,016	\$ 2,739,371

Annual debt service requirements to maturity for the City's direct placement general obligation bonds are as follows:

Year Ending June 30,	Governmental Funds			Nonmajor Enterprise Funds		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 587,612	\$ 82,858	\$ 670,470	\$ 367,389	\$ 51,804	\$ 419,193
2021	615,300	71,752	687,052	384,700	44,862	429,562
2022	563,000	60,123	623,123	352,001	37,590	389,591
2023	550,694	49,482	600,176	344,307	30,996	375,303
2024	538,388	39,074	577,462	336,613	24,428	361,041
2025-2027	1,529,022	57,273	1,586,295	954,361	35,808	990,169
Total	\$ 4,384,016	\$ 360,562	\$ 4,744,578	\$ 2,739,371	\$ 225,488	\$ 2,964,859

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A summary of the City's public sales general obligation bonds outstanding at year end for the Governmental and Business-Type Activities is as follows:

Public Sales General Fund Obligation Bonds	Governmental Funds	Nonmajor Enterprise Funds
Serviced by the City:		
2011 Public Improvement, Series 2011, \$3,225,000 original issue due in annual installments of \$160,000 to \$165,000 through 2031, plus interest from 2.0% to 4.0%.	\$ 1,920,000	\$ -
2016 Street and Pedestrian Transportation, Series 2016, \$8,000,000 original issue due in annual installments of \$400,000 through 2036	7,200,000	-
General Obligation Bonds	9,120,000	-
Add unamortized premium	609,136	-
Total Public Sales General Obligation Bonds	\$ 9,729,136	\$ -

Annual debt service requirements to maturity for the City's public sales general obligation bonds are as follows:

Year Ending June 30,	Governmental Funds			Nonmajor Enterprise Funds		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 560,000	\$ 375,440	\$ 935,440	\$ -	\$ -	\$ -
2021	560,000	350,640	910,640	-	-	-
2022	560,000	325,840	885,840	-	-	-
2023	560,000	301,040	861,040	-	-	-
2024	560,000	276,040	836,040	-	-	-
2025-2029	2,800,000	1,002,040	3,802,040	-	-	-
2030-2034	2,320,000	444,200	2,764,200	-	-	-
2035-2037	1,200,000	66,000	1,266,000	-	-	-
Total	\$ 9,120,000	\$ 3,141,240	\$ 12,261,240	\$ -	\$ -	\$ -

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c. Special Obligation Revenue Bonds

The City has also issued direct placement revenue bonds and pledges the income derived from the acquired or constructed assets to pay debt service. The City has executed a trust agreement to secure the bonds with all pledged revenues and certain money and securities held by or on behalf of the Trustee.

A summary of the City's direct placement special obligation revenue bonds is as follows:

<u>Direct Placement Special Obligation Revenue Bonds</u>	<u>Governmental Funds</u>
Serviced by the City:	
2011 Refunding Special Obligation Revenue Bonds, \$4,290,000 original issue for constructing, furnishing, and equipping an Exhibit Hall, due in annual installments of \$325,000 to \$490,000 through 2021, plus interest at 2.89%.	\$ 965,000
2015 Refunding Special Obligation Revenue Bonds \$4,200,000 original issue for additional improvements to the Exhibit Hall, due in annual installments of \$20,000 to \$663,398 through 2027, plus interest at 3.25%.	<u>3,915,000</u>
Total Direct Placement Special Obligation Bonds	<u>\$ 4,880,000</u>

Annual debt service requirements to maturity for the City's direct placement special obligation revenue bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 585,000	\$ 155,126	\$ 740,126
2021	615,000	137,824	752,824
2022	565,358	119,600	684,958
2023	583,732	101,226	684,958
2024	602,704	82,255	684,959
2025-2027	<u>1,928,206</u>	<u>126,669</u>	<u>2,054,875</u>
Total	<u>\$ 4,880,000</u>	<u>\$ 722,700</u>	<u>\$ 5,602,700</u>

The City has pledged net occupancy tax revenues and other replacement revenues to repay these direct placement revenue bonds, of which \$5,435,000 is currently outstanding. These bonds are a combination of fiscal year 2015 proceeds for a new expansion to the convention center, and the proceeds from the 2011 bonds which refinanced the previous 2001 Series Bonds, those proceeds were for the construction, furnishing, and equipping of a convention center. The bonds are payable solely from proceeds from occupancy tax Collections and are payable through 2027. Annual principal and interest payments on the debt are expected to require 4% of gross occupancy tax. The total principal and interest remaining to be paid on the bonds is \$5,602,700. Principal and interest paid for the current year bonds, debt service revenues from occupancy tax, and total occupancy tax were \$726,490, \$1,320,588, and \$2,641,176, respectively.

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d. Other Types of Debt

The 1987 amendments to the Federal Clean Water Act replaced the Construction Grants program with the Clean Water State Revolving Fund Program (“CWSRF”). Under the CWSRF, Congress provides the states with grant funds to establish revolving loan programs to assist in the funding of wastewater treatment facilities and projects associated with estuary and non-point source programs. In North Carolina, these funds are made available to units of local government at one-half of the market rate for a period of up to 20 years. The promissory note for the City’s CWSRF loan contains a provision that may require prepayment in whole and further commitments withdrawn if the Commission fails to adopt and maintain a schedule of rates and charges to adequately provide for the proper operation, maintenance and administration of the project and for repayment of all principal and interest when due. The note is payable solely from the revenues of the project or benefited systems or other available funds

The City’s CWSRF loan outstanding at year-end is as follows:

<u>Description</u>	<u>Amount</u>
0.93% Clean Water State Revolving Fund loan issued in 2018 to finance construction/ rehabilitation of a stormwater treatment/collection system, \$32,620,172 authorized, \$2,414,612 drawn to date, and \$13,904,622 additional costs incurred to date, due in annual installments of \$1,631,009, with a final payment on May 1, 2040.	\$ 16,319,234
Total Other Debt	<u>\$ 16,319,234</u>

Annual debt service requirements to maturity for the City’s Clean Water State Revolving Fund loan are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ -	\$ -	\$ -
2021	1,631,009	355,314	1,986,323
2022	1,631,009	288,199	1,919,208
2023	1,631,009	273,031	1,904,040
2024	1,631,009	257,862	1,888,871
2025-2029	8,155,045	1,061,787	9,216,832
2030-2034	8,155,045	682,577	8,837,622
2035-2039	8,155,045	303,368	8,458,413
2040	1,631,001	15,168	1,646,169
Total	<u>\$ 32,620,172</u>	<u>\$ 3,237,306</u>	<u>\$ 35,857,478</u>

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e. Changes in Long-Term Obligations

The following is a summary of changes in the long-term obligations of the City for the year ended June 30, 2019:

	Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019	Current Portion
Governmental Activities					
Public sales general obligation bonds	\$ 9,680,000	\$ -	\$ 560,000	\$ 9,120,000	\$ 560,000
<i>Direct Placement:</i>					
General obligation bonds	4,985,546	-	601,530	4,384,016	587,612
Special obligation revenue	5,435,000	-	555,000	4,880,000	585,000
Installment purchase contracts	16,339,148	962,778	2,576,922	14,725,004	2,707,020
Net pension liability (LGERS)	9,247,616	4,529,364	-	13,776,980	-
Total pension liability (LEO)	8,183,588	-	245,262	7,938,326	-
Net OPEB liability	48,014,179	-	4,193,210	43,820,969	-
Compensated absences	2,906,728	5,108,752	5,156,109	2,859,371	2,001,560
	104,791,805	10,600,894	13,888,033	101,504,666	\$ 6,441,192
Add unamortized premium	643,944	-	34,808	609,136	
Total governmental	<u>\$ 105,435,749</u>	<u>\$ 10,600,894</u>	<u>\$ 13,922,841</u>	<u>\$ 102,113,802</u>	
Business-Type Activities					
<i>Managed by the City</i>					
<i>Direct Placement:</i>					
General obligation bonds	\$ 3,114,454	\$ -	\$ 375,083	\$ 2,739,371	\$ 367,389
Installment purchase contracts	642,011	-	154,866	487,145	157,142
Notes Payable	-	16,319,234	-	16,319,234	-
Net pension liability (LGERS)	893,257	403,862	-	1,297,119	-
Net OPEB liability	4,660,803	-	406,121	4,254,682	-
Compensated absences	227,709	311,830	331,572	207,967	145,388
Total	<u>9,538,234</u>	<u>17,034,926</u>	<u>1,267,642</u>	<u>25,305,518</u>	<u>669,919</u>
<i>Managed by the Commission</i>					
Direct placement revenue bonds	11,076,800	-	2,433,800	8,643,000	2,458,000
Public sales revenue bonds	67,330,000	48,635,000	6,655,000	109,310,000	1,550,000
Other types of debt	38,764,625	1,760,363	2,893,698	37,631,290	2,845,649
Discounts and premiums	9,222,061	7,028,769	457,603	15,793,227	-
Compensated absences	2,262,019	2,449,647	2,353,410	2,358,256	1,880,751
Net OPEB liability	35,652,968	11,114,638	-	46,767,606	-
Net pension liability (LGERS)	6,887,281	4,083,614	-	10,970,895	-
Total long-term liabilities	<u>171,195,754</u>	<u>75,072,031</u>	<u>14,793,511</u>	<u>231,474,274</u>	<u>8,734,400</u>
Total business-type	<u>\$ 180,733,988</u>	<u>\$ 92,106,957</u>	<u>\$ 16,061,153</u>	<u>\$ 256,779,792</u>	<u>\$ 9,404,319</u>

As discussed in Note III.D., the City has reported a prior period adjustment related to long-term obligations.

The net pension obligation typically has been liquidated by the General Fund. Compensated absences typically have been liquidated in the General Fund and are accounted for on a LIFO basis, assuming that employees are taking leave time as it is earned.

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7. Long-Term Obligations (Commission)

a. Debt Serviced by the Electric Fund

1. *Revenue Bonds*

The Commission issues revenue bonds to provide financing for extension, expansion, and improvement projects within the Electric Fund. The Commission has pledged future electric customer revenues and other unrestricted revenues including revenues of the Water, Sewer, and Gas Funds, net of specified operating expenses, to repay revenue bonds, of which \$58,516,465 is currently outstanding. The bonds are payable solely from net revenues and are payable through fiscal year 2046. The Bond Order contains certain provisions that could result in the acceleration of maturities of revenue bonds if certain events of default occur and are not quickly resolved. Annual principal and interest payments on the bonds are expected to require less than 19% of net revenues, or less than 3% of total revenues. The total principal and interest remaining to be paid on the bonds is \$93,111,032. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$3,487,991, \$21,510,052, and \$179,748,169, respectively. Current outstanding revenue bond issues include both direct placement and public sales bonds.

Direct placement revenue bonds outstanding at year-end are as follows:

Description	Amount
Series 2010 Refunding Revenue Bonds with an original issue amount of \$3,902,210, issued to refund a portion of the Series 2001 Revenue Bonds, due in annual installments with an interest rate of 2.51%, final payment will be made on September 1, 2021.	\$ 1,257,004
Series 2013 Refunding Revenue Bonds with an original issue amount of \$6,182,959, issued to refund the Series 2007 Revenue Bonds, due in annual installments with an interest rate of 1.84%, final payment will be made on May 1, 2027.	3,494,541
	\$ 4,751,545

Annual debt service requirements to maturity for the Commission's Electric Fund direct placement revenue bonds are as follows:

Year Ending			
June 30,	Principal	Interest	Total
2020	\$ 844,852	\$ 90,711	\$ 935,563
2021	857,747	72,310	930,057
2022	868,385	53,591	921,976
2023	439,337	40,122	479,459
2024	435,306	32,039	467,345
2025-2029	1,305,918	48,058	1,353,976
Total	\$ 4,751,545	\$ 336,831	\$ 5,088,376

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Public sales revenue bonds outstanding at year-end are as follows:

Description	Amount
Series 2016 Revenue Bonds with an original issue amount of \$22,679,530, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on April 1, 2046.	\$ 22,207,691
Series 2016 Revenue Bonds with an original issue amount of \$1,369,152, issued to refund the Series 2005 Revenue Bonds, due in annual installments with varying interest rates from 2.0% to 5.0%, final payment will be made on April 1, 2026.	1,007,305
Series 2016 Revenue Bonds with an original issue amount of \$3,470,208, issued to refund the Series 2008A Revenue Bonds, due in annual installments with varying interest rates from 2.0% to 5.0%, final payment will be made on April 1, 2034.	3,457,141
Series 2019 Revenue Bonds with an original issue amount of \$27,092,783, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on August 1, 2044.	<u>27,092,783</u>
	<u>\$ 53,764,920</u>

Annual debt service requirements to maturity for the Commission's Electric Fund public sales revenue bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 505,246	\$ 1,887,774	\$ 2,393,020
2021	1,189,518	2,267,026	3,456,544
2022	1,213,155	2,197,105	3,410,260
2023	1,287,224	2,152,980	3,440,204
2024	1,392,721	2,087,017	3,479,738
2025-2029	8,134,135	9,279,081	17,413,216
2030-2034	10,722,722	6,963,916	17,686,638
2035-2039	11,454,142	4,637,723	16,091,865
2040-2044	13,500,680	2,586,217	16,086,897
2045-2046	4,365,377	198,897	4,564,274
Total	<u>\$ 53,764,920</u>	<u>\$ 34,257,736</u>	<u>\$ 88,022,656</u>

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2. Purchased Power Contract

The Commission is a participant of the North Carolina Eastern Municipal Power Agency (“NCEMPA”), a joint agency formed by 32 municipal entities. NCEMPA was formed in 1982 for the purpose of supplying wholesale power to its 32 participants. NCEMPA used the proceeds of debt issuances to purchase ownership interests in two coal-fired and three nuclear-fueled generation plants. Each participant was entitled to a proportionate share of the output and was obligated to pay its share of the operating costs and debt service on these generation assets.

On July 31, 2015, the NCEMPA completed the sale of its electric generating assets to Duke Energy Progress for approximately \$1.25 billion. The proceeds from the sale were used to reduce outstanding debt on those assets. The Commission’s share of NCEMPA’s outstanding debt was reduced from approximately \$277.8 million to \$85 million. The Electric Enterprise Fund’s share of this obligation is not recorded as a liability on the accompanying basic financial statements; however, it is included as a component of its power supply expenses. The Commission’s share of NCEMPA’s outstanding debt at June 30, 2019 was approximately \$62.8 million. As of the date of this report, NCEMPA is satisfying its obligations from its own operations and, accordingly, no provision for contingent liability is reported in the Commission’s financial statements.

Duke Energy Progress has entered into a 30-year agreement to provide wholesale power to NCEMPA. The Commission, along with the other member entities, entered into a 30-year take and pay all requirements contract for the delivery of wholesale electric power. The reduced debt service costs and the lower costs of wholesale power have allowed the Commission to reduce electric retail rates by approximately 15% since July 2015.

b. Debt Serviced by Water Fund

1. Revenue Bonds

The Commission issues revenue bonds to provide financing for extension, expansion, and improvement projects within the Water Fund. The Commission has pledged future water customer revenues and other unrestricted revenues including revenues of the Electric, Sewer, and Gas Funds, net of specified operating expenses, to repay revenue bonds, of which \$10,016,114 is currently outstanding. The bonds are payable solely from net revenues and are payable through fiscal year 2046. The Bond Order contains certain provisions that could result in the acceleration of maturities of revenue bonds if certain events of default occur and are not quickly resolved. Annual principal and interest payments on the bonds are expected to require less than 24% of net revenues or less than 9% of total revenues. The total principal and interest remaining to be paid on the bonds is \$29,338,992. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$4,522,035, \$7,481,310, and \$21,957,811, respectively. Current outstanding revenue bond issues include both direct placement and public sales bonds.

Direct placement revenue bonds outstanding at year-end are as follows:

Description	Amount
Series 2010 Refunding Revenue Bonds with an original issue amount of \$1,695,666, issued to refund a portion of the Series 2001 Revenue Bonds, due in annual installments with an interest rate of 2.51%, final payment will be made on September 1, 2021.	\$ 546,219
	<u>\$ 546,219</u>

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Annual debt service requirements to maturity for the Commission's Water Fund direct placement revenue bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 177,964	\$ 11,477	\$ 189,441
2021	181,816	6,961	188,777
2022	186,439	2,340	188,779
Total	<u>\$ 546,219</u>	<u>\$ 20,778</u>	<u>\$ 566,997</u>

Public sales revenue bonds outstanding at year-end for the Commission's Water Fund are as follows:

Description	Amount
Series 2016 Revenue Bonds with an original issue amount of \$2,243,132, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on April 1, 2046.	\$ 2,196,464
Series 2016 Revenue Bonds with an original issue amount of \$711,915, issued to refund the Series 2005 Revenue Bonds, due in annual installments with varying interest rates from 2.0% to 5.0%, final payment will be made on April 1, 2026.	523,766
Series 2016 Revenue Bonds with an original issue amount of \$7,571,332, issued to refund a portion of the Series 2008A Revenue Bonds, due in annual installments with varying interest rates from 2.0% to 5.0%, final payment will be made on April 1, 2034.	7,542,823
Series 2019 Revenue Bonds with an original issue amount of \$8,206,842, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on August 1, 2044.	8,206,842
	<u>\$ 18,469,895</u>

Annual debt service requirements to maturity for the Commission's Water Fund public sales revenue bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 390,542	\$ 714,711	\$ 1,105,253
2021	845,208	817,718	1,662,926
2022	625,159	772,294	1,397,453
2023	652,998	750,786	1,403,784
2024	698,688	717,651	1,416,339
2025-2029	3,946,596	3,022,454	6,969,050
2030-2034	5,051,941	1,925,245	6,977,186
2035-2039	2,498,345	1,005,026	3,503,371
2040-2044	2,955,328	547,210	3,502,538
2045-2046	805,090	29,005	834,095
Total	<u>\$ 18,469,895</u>	<u>\$ 10,302,100</u>	<u>\$ 28,771,995</u>

CITY OF GREENVILLE, NORTH CAROLINA
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2. Other Types of Debt

The Safe Drinking Water Act (“SDWA”) was originally passed by Congress in 1974 to protect public health by regulating the nation’s public drinking water supply. The law was amended in 1986 and 1996 and requires many actions to protect drinking water and resources, rivers, lakes, reservoirs, springs, and ground water wells. Congress established the Drinking Water State Revolving Fund loan program in the 1996 amendments to provide financial assistance to public water systems to comply with the SDWA. To fund drinking water capital projects that protect public health, the State of North Carolina makes loans at one-half of the market rate for a period of up to 20 years. The promissory notes for the Commission’s DWSRF loans contain a provision that may require prepayment in whole and further commitments withdrawn if the Commission fails to adopt and maintain a schedule of rates and charges to adequately provide for the proper operation, maintenance and administration of the project and for repayment of all principal and interest when due. The notes are payable solely from the revenues of the project or benefited systems or other available funds.

The Commission’s drinking water loans outstanding at year-end are as follows:

Description	Amount
2.205% Drinking Water State Revolving Fund loan issued in 2004 to finance an inter-basin transfer analysis and the construction of a major water main, \$4,014,597 authorized and \$3,884,913 drawn to date, due in annual installments of \$194,246 with a final payment on May 1, 2030.	\$ 2,136,702
2.50% Drinking Water State Revolving Fund loan issued in 2009 to finance improvements to the raw water pump station of the water treatment plant, \$460,425 authorized and \$460,425 drawn to date, due in annual installments of \$23,021 with a final payment on May 1, 2033.	322,298
2.50% Drinking Water State Revolving Fund loan issued in 2010 to finance the construction of a new water main, \$300,055 authorized and \$269,492 drawn to date, due in annual installments of \$13,475 with a final payment on May 1, 2030.	148,221
2.01% Drinking Water State Revolving Fund loan issued in 2009 to finance improvements to the raw water pump station of the water treatment plant, \$1,442,000 authorized and \$1,291,496 drawn to date, due in annual installments of \$64,575 with a final payment on May 1, 2033.	904,047
1.53% Drinking Water State Revolving Fund loan issued in 2018 to finance the rehabilitation and/or replacement of cast-iron water lines, \$1,176,457 authorized and \$1,176,457 drawn to date, due in annual installments of \$58,823 with a final payment on May 1, 2033.	1,117,634
	\$ 4,628,902

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Annual debt service requirements to maturity for the Commission's Water Fund Drinking Water State Revolving Fund Loans are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 354,140	\$ 94,148	\$ 448,288
2021	354,140	86,755	440,895
2022	354,140	79,361	433,501
2023	354,140	71,968	426,108
2024	354,140	64,575	418,715
2025-2029	1,770,692	211,971	1,982,663
2030-2034	852,219	54,854	907,073
2005-2038	235,291	9,000	244,291
Total	\$ 4,628,902	\$ 672,632	\$ 5,301,534

The American Recovery and Reinvestment Act of 2009 ("ARRA") was passed by Congress to create and save jobs, spur economic activity and invest in long-term economic growth, and to foster unprecedented levels of accountability and transparency in government spending. A portion of the recovery funds were distributed to states based on funding formulas. The North Carolina Department of Environment and Natural Resources received over \$65 million to fund drinking water capital projects that protect public health. The State of North Carolina has made these funds available to local governments in the form of principal forgiveness loans and zero percent interest loans through the State Revolving Fund program. The promissory notes for the Commission's ARRA loans contain a provision that may require prepayment in whole and further commitments withdrawn if the Commission fails to adopt and maintain a schedule of rates and charges to adequately provide for the proper operation, maintenance and administration of the project and for repayment of all principal and interest when due. The notes are payable solely from the revenues of the project or benefited systems or other available funds.

The Commission's ARRA loans outstanding at year-end are as follows:

Description	Amount
ARRA loan issued in 2009 to finance improvements to the raw water pump station of the water treatment plant, \$2,942,152 authorized and \$2,942,152 drawn to date, one-half of the principal has been forgiven and the remainder is due in annual installments of \$73,554 with a final payment on May 1, 2030.	\$ 809,092
ARRA loan issued in 2009 to partially finance improvements to a water storage tank, \$48,982 authorized and \$44,782 drawn to date, one-half of the principal has been forgiven and the remainder is due in annual installments of \$1,120 with a final payment on May 1, 2031.	13,434
	\$ 822,526

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Annual debt service requirements to maturity for the Commission's Water Fund ARRA loans are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 74,673	\$ -	\$ 74,673
2021	74,673	-	74,673
2022	74,673	-	74,673
2023	74,673	-	74,673
2024	74,673	-	74,673
2025-2029	373,368	-	373,368
2030-2031	75,793	-	75,793
Total	\$ 822,526	\$ -	\$ 822,526

c. Debt Serviced by the Sewer Fund

1. *Revenue Bonds*

The Commission issues revenue bonds to provide financing for extension, expansion, and improvement projects within the Sewer Fund. The Commission has pledged future sewer customer revenues and other unrestricted revenues including revenues of the Electric, Water, and Gas Funds, net of specified operating expenses, to repay revenue bonds, of which \$21,328,041 is currently outstanding. The bonds are payable solely from net revenues and are payable through fiscal year 2046. The Bond Order contains certain provisions that could result in the acceleration of maturities of revenue bonds if certain events of default occur and are not quickly resolved. Annual principal and interest payments on the bonds are expected to require less than 19% of net revenues, or less than 9% of total revenues. The total principal and interest remaining to be paid on the bonds is \$32,191,591. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$2,823,569, \$11,040,621, and \$24,912,589, respectively. Current outstanding revenue bond issues include both direct placements and public sales bonds.

Direct placement revenue bonds outstanding at year-end for the Commission's Sewer Fund are as follows:

Description	Amount
Series 2010 Refunding Revenue Bonds with an original issue amount of \$2,172,644, issued to refund a portion of the Series 2001 Revenue Bonds, due in annual installments with an interest rate of 2.51%, final payment will be made on September 1, 2021.	\$ 699,866
Series 2013 Refunding Revenue Bonds with an original issue amount of \$6,292,200, issued to refund the 2.57% Clean Water State Revolving Fund Loan, due in annual installments with an interest rate of 1.84%, final payment will be made on May 1, 2020.	763,000
	\$ 1,462,866

Annual debt service requirements to maturity for the Commission's Sewer Fund direct placement revenue bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 991,024	\$ 28,744	\$ 1,019,768
2021	232,960	8,920	241,880
2022	238,882	2,998	241,880
Total	\$ 1,462,866	\$ 40,662	\$ 1,503,528

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Public sales revenue bonds outstanding at year-end for the Commission's Sewer Fund are as follows:

Description	Amount
Series 2016 Revenue Bonds with an original issue amount of \$4,719,168, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on April 1, 2046.	\$ 4,620,988
Series 2016 Revenue Bonds with an original issue amount of \$2,118,933, issued to refund the Series 2005 Revenue Bonds, due in annual installments with varying interest rates from 2.0% to 5.0%, final payment will be made on April 1, 2026.	1,558,930
Series 2016 Revenue Bonds with an original issue amount of \$6,911,365, issued to refund a portion of the Series 2008A Revenue Bonds, due in annual installments with varying interest rates from 2.0% to 5.0%, final payment will be made on April 1, 2034.	6,885,340
Series 2019 Revenue Bonds with an original issue amount of \$6,799,917, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on August 1, 2044.	6,799,917
	<u>\$ 19,865,175</u>

Annual debt service requirements to maturity for the Commission's Sewer Fund public sales revenue bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 519,625	\$ 791,299	\$ 1,310,924
2021	998,165	866,845	1,865,010
2022	765,578	814,316	1,579,894
2023	794,406	789,321	1,583,727
2024	844,487	749,199	1,593,686
2025-2029	4,210,082	3,092,903	7,302,985
2030-2034	4,925,470	1,996,306	6,921,776
2035-2039	2,670,557	1,079,919	3,750,476
2040-2043	3,149,940	599,430	3,749,370
2044-2046	986,865	43,350	1,030,215
Total	<u>\$ 19,865,175</u>	<u>\$ 10,822,888</u>	<u>\$ 30,688,063</u>

2. Other Types of Debt

The 1987 amendments to the Federal Clean Water Act replaced the Construction Grants program with the Clean Water State Revolving Fund Program ("CWSRF"). Under the CWSRF, Congress provides the states with grant funds to establish revolving loan programs to assist in the funding of wastewater treatment facilities and projects associated with estuary and non-point source programs. In North Carolina, these funds are made available to units of local government at one-half of the market rate for a period of up to 20 years. . The promissory notes for the Commission's CWSRF loans contain a provision that may require prepayment in whole and further commitments withdrawn if the Commission fails to adopt and maintain a schedule of rates and charges to adequately provide for the proper operation, maintenance and administration of the project and for repayment of all principal and interest when due. The notes are payable solely from the revenues of the project or benefited systems or other available funds

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The Commission's CWSRF loans outstanding at year-end are as follows:

<u>Description</u>	<u>Amount</u>
2.48% Clean Water State Revolving Fund loan issued in 2008 to finance upgrades to the electrical and SCADA systems at the wastewater treatment plant, \$13,851,680 authorized and \$13,761,629 drawn to date, due in annual installments of \$688,081, with a final payment on May 1, 2030.	\$ 7,568,898
2.455% Clean Water State Revolving Fund loan issued in 2011 to finance the construction of a regional pump station and force main, \$9,241,586 authorized and \$8,866,000 drawn to date, due in annual installments of \$443,300, with a final payment on May 1, 2032.	5,762,900
2.455% Clean Water State Revolving Fund loan issued in 2011 to finance the construction of a regional pump station and force main, \$13,987,369 authorized and \$13,649,668 drawn to date, due in annual installments of \$682,483, with a final payment on May 1, 2033.	9,554,767
0.0% Clean Water State Revolving Fund loan issued in 2013 to finance the energy efficiency replacement and upgrade to the wastewater treatment plant ultraviolet disinfection system, \$2,198,250 authorized and \$1,806,103 drawn to date, due in annual installments of \$92,156, with a final payment on May 1, 2036.	1,682,691
2.0% Clean Water State Revolving Fund loan issued in 2017 to finance pump station upgrades, \$6,176,450 authorized and \$3,764,772 drawn to date, due in annual installments of \$188,239, with a final payment on May 1, 2037.	5,372,899
1.66% Clean Water State Revolving Fund loan issued in 2017 to finance improvements to the wastewater treatment plant air distribution system, \$1,718,086 authorized and \$587,950 drawn to date, due in annual installments of \$29,398, with a final payment on May 1, 2038.	1,632,182
	<u>\$31,574,337</u>

Annual debt service requirements to maturity for the Commission's Sewer Fund Clean Water State Revolving Fund loans are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 2,265,454	\$ 691,416	\$ 2,956,870
2021	2,299,168	646,562	2,945,730
2022	2,299,168	594,443	2,893,611
2023	2,299,168	542,325	2,841,493
2024	2,299,168	490,206	2,789,374
2025-2029	11,495,839	1,669,243	13,165,082
2030-2034	7,174,430	479,539	7,653,969
2035-2038	1,441,942	50,203	1,492,145
Total	<u>\$ 31,574,337</u>	<u>\$ 5,163,937</u>	<u>\$ 36,738,274</u>

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The Commission entered into an inter-local agreement with the Town of Bethel to provide wastewater treatment services for the Town, which has its own wastewater collection system. The Commission and the Town of Bethel each financed portions of the infrastructure constructed to connect the Town of Bethel's collection system to the Commission's system. Under the terms of the inter-local agreement, ownership of the portion of the infrastructure financed by the Town of Bethel was transferred to the Commission at the time the treatment service began and the Commission is paying the Town of Bethel for the asset over a term of 20 years. At June 30, 2019, \$605,525 of the inter-local agreement remained outstanding. The inter-local agreement carries an effective interest rate of 5.53%, and is payable in annual installments of \$151,382, with a final principal payment on May 1, 2023.

Annual debt service requirements to maturity for the Commission's Sewer Fund inter-local agreement are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 151,382	\$ 80,611	\$ 231,993
2021	151,382	76,919	228,301
2022	151,382	73,227	224,609
2023	151,379	91,529	242,908
Total	<u>\$ 605,525</u>	<u>\$ 322,286</u>	<u>\$ 927,811</u>

d. Debt Serviced by the Gas Fund

1. *Revenue Bonds*

The Commission issues revenue bonds to provide financing for extension, expansion, and improvement projects within the Gas Fund. The Commission has pledged future gas customer revenues and other unrestricted revenues including revenues of the Electric, Water, and Sewer Funds, net of specified operating expenses, to repay revenue bonds, of which \$13,376,409 is currently outstanding. The bonds are payable solely from net revenues and are payable through fiscal year 2046. The Bond Order contains certain provisions that could result in the acceleration of maturities of revenue bonds if certain events of default occur and are not quickly resolved. Annual principal and interest payments on the bonds are expected to require less than 23% of net revenues, or less than 5% of total revenues. The total principal and interest remaining to be paid on the bonds is \$30,332,844. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$1,324,110, \$6,809,211, and \$36,460,177, respectively. Current outstanding revenue bond issues include both direct placement and public sales bonds.

Direct placement revenue bonds outstanding at year-end for the Commission's Gas Fund are as follows:

<u>Description</u>	<u>Amount</u>
Series 2010 Refunding Revenue Bonds with an original issue amount of \$3,234,480, issued to refund a portion of the Series 2001 Revenue Bonds, due in annual installments with an interest rate of 2.51%, final payment will be made on September 1, 2021.	\$ 1,041,911
Series 2013 Refunding Revenue Bonds with an original issue amount of \$1,487,041, issued to refund the Series 2007 Revenue Bonds, due in annual installments with an interest rate of 1.84%, final payment will be made on May 1, 2027.	840,459
	<u>\$ 1,882,370</u>

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Annual debt service requirements to maturity for the Commission's Gas Fund direct placement revenue bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 444,160	\$ 37,356	\$ 481,516
2021	452,477	26,817	479,294
2022	461,294	16,057	477,351
2023	105,663	9,650	115,313
2024	104,694	7,705	112,399
2025-2029	314,082	11,558	325,640
Total	<u>\$ 1,882,370</u>	<u>\$ 109,143</u>	<u>\$ 1,991,513</u>

Public sales revenue bonds outstanding at year-end for the Commission's Gas Fund are as follows:

Description	Amount
Series 2016 Revenue Bonds with an original issue amount of \$10,253,170, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on April 1, 2046.	\$ 10,039,857
Series 2016 Revenue Bonds with an original issue amount of \$637,094, issued to refund a portion of the Series 2008A Revenue Bonds, due in annual installments with varying interest rates from 2.0% to 5.0%, final payment will be made on April 1, 2034.	634,695
Series 2019 Revenue Bonds with an original issue amount of \$6,535,458, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on August 1, 2044.	6,535,458
	<u>\$ 17,210,010</u>

Annual debt service requirements to maturity for the Commission's Gas Fund public sales revenue bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 134,587	\$ 626,086	\$ 760,673
2021	392,109	716,936	1,109,045
2022	351,108	694,811	1,045,919
2023	370,372	682,838	1,053,210
2024	399,104	663,933	1,063,037
2025-2029	2,459,187	2,983,937	5,443,124
2030-2034	3,319,868	2,272,533	5,592,401
2035-2039	3,766,955	1,531,982	5,298,937
2040-2044	4,429,052	867,992	5,297,044
2045-2046	1,587,668	80,273	1,667,941
Total	<u>\$ 17,210,010</u>	<u>\$ 11,121,321</u>	<u>\$ 28,331,331</u>

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

2. Rate Covenants (Commission)

The Commission's debt issuances are authorized and secured by the Bond Order adopted on August 11, 1994, and amended and restated as of April 13, 2000. Section 501 of the Bond Order contains covenants as to rates, fees, and charges and requires the debt service coverage ratio to be no less than 125% for parity indebtedness (revenue bonds) and no less than 100% for other types of debt. The Commission has been in compliance with the covenants contained in Section 501 of the Bond Order since its adoption. The debt service coverage ratio calculation for the fiscal year ended June 30, 2019 is as follows:

Operating revenues	\$ 260,081,217
Operating expenses ¹	<u>(213,240,025)</u>
Operating income	46,841,192
Nonoperating revenues:	
Miscellaneous revenues ²	1,233,064
Interest income ²	1,764,464
Nonoperating expenses	<u>(248,758)</u>
Income available for debt service	<u><u>\$ 49,589,962</u></u>
Parity debt service (principal and interest paid)	\$ 12,157,705
Parity debt service coverage ratio	408%
Subordinate and other debt service (principal and interest paid)	\$ 3,829,286
Subordinate and other debt service coverage ratio	978%

¹ In accordance with rate covenants, operating expenses excludes depreciation expense of \$22,204,330; unfunded OPEB expense of \$805,754; and pension expense and expenditures of \$748,327.

² In accordance with rate covenants, miscellaneous revenues and interest income excludes restricted revenues and revenues received in the capital projects funds.

C. Interfund Balances and Activity

1. Due to/From Other Funds

Balances due to/from other funds at June 30, 2019 consist of the following:

Receivable Fund	Payable Fund							Internal Service Funds	Total
	General Fund	Nonmajor Governmental	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Nonmajor Enterprise		
General Fund	\$ -	\$ 1,236,259	\$ 73,793	\$ 106,421	\$ 90,725	\$ 16,805	\$ -	\$ 1,074,598	\$ 2,598,601
Nonmajor Governmental	-	-	-	-	-	-	98,767	947	99,714
Nonmajor Enterprise	-	-	-	-	-	-	-	-	-
Internal Service Funds	-	-	26,872	26,871	-	-	-	-	53,743
Total	<u>\$ -</u>	<u>\$ 1,236,259</u>	<u>\$ 100,665</u>	<u>\$ 133,292</u>	<u>\$ 90,725</u>	<u>\$ 16,805</u>	<u>\$ 98,767</u>	<u>\$ 1,075,545</u>	<u>\$ 2,752,058</u>

Amounts due to/from the various funds of the government were primarily for the transfer of cash to fund operating shortfalls.

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

2. Interfund Transfers

Transfers to/from other funds at June 30, 2019 consist of the following:

Governmental activities:

Transfers within governmental activities:

From the General Fund to the Central Grants Fund for local match to COPS grants	\$ 47,107
From the General Fund to the Central Grants Fund for local match to Transparency and Trust Grant	2,500
From the General Fund to the Capital Reserve Fund for various capital projects	562,722
From the General Fund to the Police Capital Projects Fund for the 911 Communication System Upgrade	75,000
From the General Fund to the Police Capital Projects Fund for the Superior Project	184,676
From the General Fund to the Public Works Capital Projects Fund for the Street Lights/Cameras Project	250,000
From the General Fund to the Public Works Capital Projects Fund for the Street Improvement Program	2,500,000
From the General Fund to the Public Works Capital Projects Fund for the Capital Improvement Plan	231,903
From the General Fund to the Recreation and Parks Capital Projects Fund for the Westside Park Project	30,000
From the General Fund to the Community Development and HOME Fund for grant local match	309,830
From the General Fund to the Debt Service Fund for debt service payments	4,687,002
From the General Fund to the Donations Fund to establish a new special revenue fund	203,288
From the General Fund to the Sheppard Memorial Library Fund for share of operating funding	1,269,958
From the General Fund to the Facilities Improvement Program for noncapital projects	1,241,000
From the Capital Reserve Fund to the Facilities Improvement Program for Convention Center HVAC	250,000
From the FEMA Fund to the Public Works Capital Projects Fund for Imperial Site Demolition Project	94,178
From the FEMA Fund to the Recreation and Parks Capital Projects Fund for the Town Commons Project	66,000
Subtotal Transfers Within Governmental Activities	<u>12,005,164</u>

Transfers to Business-Type Activities

From the General Fund to the Public Transportation Fund for local match for grants	<u>771,894</u>
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Business-type activities:

Transfers within Business-Type Activities

From the Stormwater Operating Fund to the Enterprise Capital Projects Fund for new projects identified in the Watershed Master Plan	<u>1,296,265</u>
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Transfers to Governmental Activities

From the Electric Fund to the General Fund	4,993,763
From the Gas Fund to the General Fund	1,724,051
From the Sanitation Fund to the Vehicle Replacement Fund for vehicle rental fee	250,000
Subtotal Transfers to Governmental Activities	<u>6,967,814</u>

Total transfers	<u><u>\$ 21,041,137</u></u>
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CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

E. Net Investment in Capital Assets

At June 30, 2019, net investment in capital assets was computed as follows:

	Governmental Activities	Business-Type Activities
Capital assets, net of accumulated depreciation	\$ 200,375,721	\$ 430,712,029
Less capital debt:		
Gross debt	33,109,020	190,436,122
Less:		
Unamortized bond refunding charges	(635,504)	(1,673,589)
Unexpended debt proceeds	(3,313,845)	(51,314,860)
Net capital debt	29,159,671	137,447,673
Capital assets, net of related debt	\$ 171,216,050	\$ 293,264,356

IV. Jointly Governed Organization

Pitt-Greenville Convention and Visitors Authority. The City Council appoints five members of the eleven-member Board of the Pitt-Greenville Convention and Visitors Authority (the "Visitors Authority"). The City's accountability is to approve the annual budget along with Pitt County. The City does not contribute funds to the Visitors Authority. The Visitors Authority's operating funds are derived from a hotel and motel occupancy tax levied by Pitt County. The City has no other fiscal responsibility for the Visitors Authority.

North Carolina Eastern Municipal Power Agency. The City, in conjunction with 32 other local governments, 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. Each participating government appoints one commissioner to the Agency's Governing Board. The 32 members who receive power from the Agency have signed power sales agreements to purchase a specified share of the power generated by the Agency. The Greenville Commission has the right to 16.13% of the combined generating capacity of the Agency and is obligated to pay its relative share of the Agency's debt. This contract constitutes an obligation of our Enterprise Fund, the Commission, to make debt service payments from operating revenues. It is not included as an obligation, but is included as a component of its power supply expenses. The Commission's share of the Agency's debt at June 30, 2019 was approximately \$62.8 million.

V. Joint Ventures

Convention Center. The City is a participant with Pitt County in a joint venture to purchase and develop property to be used as a convention center. Upon dissolution, the assets would be shared in proportion to each sponsor's original contribution. The City's initial contribution totaled \$1,200,000 which represents three-fifths of the total contribution. In April 2003, the City issued \$6.8 million of Special Obligation Revenue Bonds for the construction of the convention center. The balance of \$4,292,944 of the bonds was refunded during fiscal year 2012 to a lower interest rate. During fiscal year 2015, \$4,200,000 was issued for another round of expansion at the convention center. This debt will be repaid through the collection of hotel and motel occupancy tax. Other than the repayment of the debt, the City has no responsibility for the operations of the convention center. The convention center opened in May 2003, and is operated by an independent management firm. Pitt County, not the City, is responsible for the operating and maintenance costs of the convention center.

CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

Pitt-Greenville Airport Authority. The City is a participant with Pitt County (the “County”) and other participants in a joint venture to operate Pitt-Greenville Airport Authority (the “Airport Authority”) for the joint benefit of all participants. Upon dissolution of the Airport Authority, the assets would be shared in proportion to each sponsor's original contribution. The City's initial contribution totaled \$3,250 which represents one-half of the total contribution. The Airport Authority is governed by an eight-member Board; four from the City and four from the County. All participants are obligated to contribute funds on an annual basis, as needed, to enable the Airport Authority to operate the airport. The City contributed \$98,568 to the Airport Authority during the fiscal year ended June 30, 2019. The Airport's implementation of GASB 75 in FY19 resulted in a restatement of net position which reduced net position by \$1,022,398. The City has a 50% equity interest in the joint venture; therefore, an equity interest of \$27,628,003 has been reflected in the government-wide financial statements at June 30, 2019. Complete financial statements for the Airport Authority can be obtained from the Airport Authority's Administrative Office at Airport Road, P.O. Box 671, Greenville, North Carolina, 27835.

VI. Related Organization

Greenville Housing Authority. The Mayor appoints the seven-member Board of the Greenville Housing Authority. The City's accountability does not extend beyond making these appointments.

VII. Summary Disclosure of Significant Contingencies

A. Federal and State Assisted Programs

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

VIII. Arbitrage (City and Commission)

In accordance with Section 148 of the Internal Revenue Code of 1986, as amended, and Sections 1.103-13 to 1.103-15 of the related Treasury Regulations, the Commission must rebate to the Federal government “arbitrage profits” earned on governmental bonds issued after August 31, 1986. Arbitrage profits are the excess of the amount earned on investments over the interest paid on the borrowings. At June 30, 2019, the City and the Commission had no arbitrage liabilities.

IX. Natural Gas Contracts (Commission)

On November 1, 2005, the Commission entered into an agreement with Piedmont Natural Gas (“PNG”) that allows the Commission to purchase all its natural gas requirements on the open market. The terms of the contract require PNG to transport natural gas through its pipeline to the Commission in exchange for annual payments of \$2,987,328. The contract was renewed effective January 5, 2010 for a period of 10 years with a maximum daily quantity (“MDQ”) of 20,000 dekatherms and an annual payment of \$3,698,544. The Commission may be allowed to exceed its MDQ to accommodate interruptible demand as capacity is available, and the Commission has the option to purchase firm peaking services during times when demand for natural gas is high.

CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

The Commission secures its natural gas supplies through various marketers and uses marketing firms to buy and sell natural gas contracts on its behalf. The Commission typically enters into contracts whereby it purchases and fixes a portion of its gas supply in advance. At June 30, 2019, the Commission has commitments to take delivery on a total of 592,000 dekatherms at fixed prices ranging from \$2.021 to \$5.879 per dekatherm and in varying amounts from July 2019 through June 2020. In addition, the Commission has commitments to take delivery on 1,209,400 additional dekatherms during the period July 2019 through June 2020 for which a price has not yet been fixed.

The Commission entered into a Supplemental Service and Construction Agreement with PNG effective November 1, 2014 for a period of five years. Under the terms of the contract, the Commission will pay additional demand charges to cover the costs of upgrades to the Commission's system completed by PNG. The initial amount of the contractual payment was \$470,000 per year. Effective June 2015, the amount was increased to \$593,093 per year to reflect the actual costs of the upgrades. These additional demand charges are payable through October 2019.

The Commission entered a 15-year agreement with Patriots Energy Group (PEG), effective February 1, 2007 to purchase 20% of the Commission's firm volumes (2,000 dekatherms per day during the winter period, November through March). The Commission receives a price discount projected to be between \$0.42 and \$0.47 per dekatherm and pays a fee of \$0.015 per dekatherm to PEG to cover the administrative costs of the agreement.

The Commission entered a 30-year agreement with The Black Belt Energy Gas District ("Black Belt Energy") effective March 1, 2018 to purchase 40% of the Commission's firm volumes (1,600 dekatherms per day during the summer period, April to October, and 2,500 dekatherms per day during the winter period, November through March). The Commission receives a price discount projected to be \$0.40 per dekatherm during the initial reset period from November 1, 2018 to October 31, 2023 and pays a fee of \$0.03 per dekatherm to Black Belt Energy to cover the administrative costs of the agreement. The Commission may elect to remarket the commodity in future reset periods when the available discount realized from the initial reset period through the end of such reset period is less than \$0.25 per dekatherm, excluding any period for which the Commission delivered a remarking election.

The Commission entered into two 30-year agreements with Public Energy Authority of Kentucky (PEAK), effective December 4, 2018, and February 14, 2019, respectively, to purchase approximately 12 percent of Commission's total volumes (500 dekatherms per day through January 2022, then 500 dekatherms per day during the summer period, April to October, and 2,000 dekatherms per day during the winter period, November through March). The Commission receives a price discount projected to be \$0.3875 per dekatherm during the initial reset period from July 1, 2019 to April 30, 2025 and pays a fee of \$0.03 per dekatherm to Public Energy Authority of Kentucky to cover the administrative costs of the agreement. The Commission may elect to remarket the commodity in future reset periods when the available discount realized from the initial reset period through the end of such reset period is less than \$0.23 per dekatherm, excluding any period for which the Commission delivered a remarking election. In addition, the Commission may elect to remarket the commodity in the event of a loss of load on its system.

X. Significant effects of subsequent events

Management has evaluated subsequent events through December 30, 2019, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.



Required Supplemental Statements

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2019



**SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION**

LAST THREE FISCAL YEARS

	2019	2018	2017
Beginning balance	\$ 8,183,588	\$ 7,771,117	\$ 7,753,711
Service cost	320,485	288,930	307,042
Interest on the total pension liability	251,390	291,196	270,090
Changes of benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	(65,436)	(170,442)	-
Changes of assumptions or other inputs	(295,308)	457,133	(183,415)
Benefit payments	(456,393)	(454,346)	(376,311)
Other changes	-	-	-
Ending balance of the total pension liability	<u>\$ 7,938,326</u>	<u>\$ 8,183,588</u>	<u>\$ 7,771,117</u>

Note 1: Amounts for each fiscal year are determined as of December 31.

Note 2: Information is not available for years prior to 2017.

**SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION**

LAST THREE FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 7,938,326	\$ 8,183,588	\$ 7,771,117
Covered payroll	11,017,389	11,182,894	11,278,574
Total pension liability as a percentage of covered payroll	72.05%	73.18%	68.90%

Notes to the Schedule:

Note 1: The City of Greenville has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 73 to pay related benefits.

Note 2: Information is not available for years prior to 2017.

CITY OF GREENVILLE, NORTH CAROLINA

**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS – CITY
REQUIRED SUPPLEMENTARY INFORMATION**

*LAST THREE FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability:			
Service cost	\$ 1,079,252	\$ 1,078,017	\$ 1,007,493
Interest	3,943,651	3,727,873	3,559,897
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(7,266,807)	949,354	-
Changes of assumptions	778,315	-	-
Benefit payments	<u>(2,343,838)</u>	<u>(2,990,633)</u>	<u>(1,395,412)</u>
Net change in total OPEB liability	(3,809,427)	2,764,611	3,171,978
Total OPEB liability, beginning of year	<u>57,489,964</u>	<u>54,725,353</u>	<u>51,553,375</u>
Total OPEB liability, end of year	<u>53,680,537</u>	<u>57,489,964</u>	<u>54,725,353</u>
Plan Fiduciary Net Position:			
Contributions - employer	2,943,838	3,490,633	1,895,412
Net investment income	189,904	181,481	286,573
Benefit payments	(2,343,838)	(2,990,633)	(1,395,412)
Administrative expense	<u>-</u>	<u>-</u>	<u>-</u>
Net change in plan fiduciary net position	789,904	681,481	786,573
Plan fiduciary net position, beginning of year	<u>4,814,982</u>	<u>4,133,501</u>	<u>3,346,928</u>
Plan fiduciary net position, end of year	<u>5,604,886</u>	<u>4,814,982</u>	<u>4,133,501</u>
City's net OPEB liability - end of year	<u>\$ 48,075,651</u>	<u>\$ 52,674,982</u>	<u>\$ 50,591,852</u>
Plan fiduciary net position as a percentage of the total OPEB liability	10.44%	8.38%	7.55%
Covered payroll	\$ 37,679,335	\$ 38,523,575	\$ 38,523,575
City's net OPEB liability as a percentage of payroll	127.59%	136.73%	131.33%

Note: Information is not available prior to implementation of GASB Statement 74 in fiscal year 2017.

* Plan and employer measurement date is the reporting date.

CITY OF GREENVILLE, NORTH CAROLINA
SCHEDULE OF CONTRIBUTIONS (OPEB) – CITY
REQUIRED SUPPLEMENTARY INFORMATION

Schedule A-4

LAST FOUR FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Actuarially determined contribution	\$ 4,751,289	\$ 4,751,289	\$ 3,694,097	\$ 3,207,785
Contributions in relation to the actuarially determined contribution	<u>2,943,838</u>	<u>3,490,633</u>	<u>1,895,412</u>	<u>3,081,744</u>
Contribution deficiency (excess)	<u>\$ 1,807,451</u>	<u>\$ 1,260,656</u>	<u>\$ 1,798,685</u>	<u>\$ 126,041</u>
Covered payroll	\$ 37,679,335	\$ 38,523,575	\$ 38,523,575	\$ 38,523,575
Contributions as a percentage of covered payroll	7.81%	9.06%	4.92%	8.00%

Note: Information is not available for years prior to 2016.

Notes to the Schedule:

Methods and Assumptions Used in Calculations of Actuarially Determined Contributions. The Actuarially Determined Contribution amount in the Schedule of Employer Contributions (above) is calculated with each biennial actuarial valuation. The actuarial methods and assumptions from the actuarial reports as of June 30, 2017 and prior years were used to determine contribution amount reported in the schedule.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of pay
Amortization period	25 years, closed
Asset valuation method	Market value of assets
Inflation	2.50%
Real wage growth	1.00%
Wage inflation	3.50%
Salary increases, including wage inflation:	
General Employees	3.50% - 7.75%
Firefighters	3.50% - 7.75%
Law Enforcement Officers	3.50% - 7.35%
Long-term investment rate of return, net of OPEB plan investment expense, including price inflation	7.00%
Healthcare cost trends:	
Pre-Medicare	7.25% for 2018 decreasing to an ultimate rate of 4.75% by 2028
Medicare	5.38% for 2018 decreasing to an ultimate rate of 4.75% by 2022
Mortality	Mortality rates were based on the RP-2014 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP- 2015

CITY OF GREENVILLE, NORTH CAROLINA
SCHEDULE OF INVESTMENT RETURNS (OPEB) - CITY
REQUIRED SUPPLEMENTARY INFORMATION

Schedule A-5

LAST THREE FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expense	7.00%	7.00%	7.00%

Note: Information is not available for years prior to 2017.

CITY OF GREENVILLE, NORTH CAROLINA
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS –
GREENVILLE UTILITIES COMMISSION
REQUIRED SUPPLEMENTARY INFORMATION

Schedule A-6

LAST THREE FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability:			
Service cost	\$ 781,098	\$ 1,035,590	\$ 1,146,045
Interest	2,212,486	2,051,825	1,930,674
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(623,845)	518,960	-
Changes of assumptions	11,477,272	(7,046,562)	(3,865,249)
Benefit payments	<u>(2,031,176)</u>	<u>(1,692,179)</u>	<u>(1,442,003)</u>
Net change in total OPEB liability	11,815,835	(5,132,366)	(2,230,533)
Total OPEB liability, beginning of year	<u>39,546,467</u>	<u>44,678,833</u>	<u>46,909,366</u>
Total OPEB liability, end of year	<u>51,362,302</u>	<u>39,546,467</u>	<u>44,678,833</u>
Plan Fiduciary Net Position:			
Contributions - employer	2,531,176	2,192,179	1,942,003
Contributions - nonemployer	-	-	-
Contributions - active members	-	-	-
Net investment income	-	237,188	321,437
Benefit payments	206,816	(1,692,179)	(1,442,003)
Administrative expense	<u>(2,031,176)</u>	<u>-</u>	<u>-</u>
Net change in plan fiduciary net position	706,816	737,188	821,437
Plan fiduciary net position, beginning of year	<u>3,887,880</u>	<u>3,150,692</u>	<u>2,329,255</u>
Plan fiduciary net position, end of year	<u>4,594,696</u>	<u>3,887,880</u>	<u>3,150,692</u>
Commission's net OPEB liability - end of year	<u>\$ 46,767,606</u>	<u>\$ 35,658,587</u>	<u>\$ 41,528,141</u>
Plan fiduciary net position as a percentage of the total OPEB liability	8.95%	9.83%	7.05%
Covered payroll	\$ 27,975,147	\$ 26,006,154	\$ 26,006,154
Commission's net OPEB liability as a percentage of covered payroll	167.18%	137.12%	159.69%

Note: Information is not available prior to implementation of GASB Statement 74 in fiscal year 2017.

CITY OF GREENVILLE, NORTH CAROLINA
SCHEDULE OF CONTRIBUTIONS (OPEB) – GREENVILLE UTILITIES COMMISSION
REQUIRED SUPPLEMENTARY INFORMATION

Schedule A-7

LAST FOUR FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Actuarially determined contribution	\$ 2,590,104	\$ 2,590,104	\$ 2,070,367	\$ 2,050,401
Contributions in relation to the actuarially determined contribution	<u>2,531,176</u>	<u>2,192,179</u>	<u>1,942,003</u>	<u>1,553,515</u>
Contribution deficiency (excess)	<u>\$ 58,928</u>	<u>\$ 397,925</u>	<u>\$ 128,364</u>	<u>\$ 496,886</u>
Covered payroll	\$ 27,975,147	\$ 26,006,154	\$ 26,006,154	\$ 26,006,154
Contributions as a percentage of covered payroll	9.05%	8.43%	7.47%	5.97%

Note: Information is not available for years prior to 2016.

Notes to the Schedule:

Valuation date:

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar payments
Amortization period	30 years, closed
Asset valuation method	Market value of assets
Inflation	2.50%
Real wage growth	1.00%
Wage inflation	3.50%
Salary increases, including wage inflation:	
General Employees	3.50% - 7.75%
Long-term investment rate of return, net of OPEB plan investment expense, including price inflation	7.00%
Healthcare cost trends:	
Pre-Medicare	7.25% for 2018 decreasing to an ultimate rate of 4.75% by 2028
Medicare	5.38% for 2018 decreasing to an ultimate rate of 4.75% by 2022

CITY OF GREENVILLE, NORTH CAROLINA

**SCHEDULE OF INVESTMENT RETURNS (OPEB) - GREENVILLE UTILITIES COMMISSION
REQUIRED SUPPLEMENTARY INFORMATION**

*LAST EIGHT FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Annual money-weighted rate of return, net of investment expense	4.67%	6.47%	10.18%	-0.57%	4.19%	13.98%	10.61%	5.84%

* The Commission's Other Postemployment Benefits Trust was established in fiscal year 2012.

CITY OF GREENVILLE, NORTH CAROLINA

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) –
LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM – CITY
REQUIRED SUPPLEMENTARY INFORMATION**

*LAST SIX FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability (asset) (%)	0.63541%	0.66379%	0.67269%	0.70987%	0.73849%	0.75020%
City's proportion of the net pension liability (asset) (\$)	\$ 15,074,099	\$ 10,140,873	\$ 14,276,735	\$ 3,185,854	\$ (4,355,215)	\$ 9,042,791
City's covered payroll	\$ 39,064,405	\$ 38,168,808	\$ 37,116,150	\$ 37,825,656	\$ 37,985,393	\$ 34,252,534
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	38.59%	26.57%	38.47%	8.42%	-11.47%	26.40%
Plan fiduciary net position as a percentage of the total pension liability	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ended June 30. Information is not available for years prior to 2014.

CITY OF GREENVILLE, NORTH CAROLINA
SCHEDULE OF CONTRIBUTIONS –
LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM – CITY
REQUIRED SUPPLEMENTARY INFORMATION

Schedule A-10

*LAST SIX FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 3,322,792	\$ 3,025,328	\$ 2,865,867	\$ 2,573,343	\$ 2,684,845	\$ 2,660,675
Contributions in relation to the contractually required contribution	<u>3,322,792</u>	<u>3,025,328</u>	<u>2,865,867</u>	<u>2,573,343</u>	<u>2,684,845</u>	<u>2,660,675</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 42,052,061	\$ 39,064,405	\$ 38,168,808	\$ 37,116,150	\$ 37,825,656	\$ 37,985,393
Contributions as a percentage of covered payroll	7.90%	7.74%	7.51%	6.93%	7.10%	7.00%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ended June 30.
Information is not available for years prior to 2014.

CITY OF GREENVILLE, NORTH CAROLINA

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) –
 LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM –
 GREENVILLE UTILITIES COMMISSION
 REQUIRED SUPPLEMENTARY INFORMATION**

*LAST SIX FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Proportion of the net pension liability (asset) (%)	0.46245%	0.45082%	0.44240%	0.41892%	0.42068%	0.42030%
Proportion of the net pension liability (asset) (\$)	\$ 10,970,895	\$ 6,887,281	\$ 9,389,210	\$ 1,880,088	\$ (2,480,943)	\$ 5,066,229
Covered payroll	\$ 30,312,540	\$ 29,774,064	\$ 26,489,847	\$ 25,315,352	\$ 24,852,254	\$ 24,741,607
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	36.19%	23.13%	35.44%	7.43%	-9.98%	20.48%
Plan fiduciary net position as a percentage of the total pension liability**	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ended June 30. Information is not available for years prior to 2014.

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

CITY OF GREENVILLE, NORTH CAROLINA
SCHEDULE OF CONTRIBUTIONS –
LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM –
GREENVILLE UTILITIES COMMISSION
REQUIRED SUPPLEMENTARY INFORMATION

Schedule A-12

LAST SIX FISCAL YEARS*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 2,481,599	\$ 2,345,337	\$ 2,158,620	\$ 1,782,767	\$ 1,789,817	\$ 1,755,810
Contributions in relation to the contractually required contribution	<u>2,481,599</u>	<u>2,345,337</u>	<u>2,158,620</u>	<u>1,782,767</u>	<u>1,789,817</u>	<u>1,755,810</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Commission's covered payroll	\$ 30,987,547	\$ 30,312,540	\$ 29,774,064	\$ 26,489,847	\$ 25,315,352	\$ 24,852,254
Contributions as a percentage of covered payroll	8.01%	7.74%	7.25%	6.73%	7.07%	7.06%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ended June 30.
Information is not available for years prior to 2014.

CITY OF GREENVILLE, NORTH CAROLINA
SCHEDULE OF AD VALOREM TAXES RECEIVABLE
OTHER SUPPLEMENTARY INFORMATION

Schedule A-13

JUNE 30, 2019

<u>Fiscal Year</u>	<u>Balance June 30, 2018</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Balance June 30, 2019</u>
2019-2018		\$ 35,048,537	\$ 34,944,274	\$ 104,263
2018-2017	148,323	-	97,171	51,152
2017-2016	64,214	-	33,988	30,226
2016-2015	59,576	-	27,423	32,153
2015-2014	36,326	-	18,410	17,916
2014-2013	44,200	-	6,584	37,616
2013-2012	56,717	-	5,416	51,301
2012-2011	50,154	-	4,030	46,124
2011-2010	49,251	-	1,842	47,409
2010-2009	52,654	-	5,876	46,778
2009-2008	55,100	-	55,100	-
	<u>\$ 616,515</u>	<u>\$ 35,048,537</u>	<u>\$ 35,200,114</u>	<u>464,938</u>
Less Allowance for uncollectible accounts - General Fund				<u>285,422</u>
Ad Valorem Taxes Receivable, Net - General Fund				<u>\$ 179,516</u>
Reconciliation with Revenues:				
Ad Valorem Taxes - General Fund				\$ 34,739,626
Reconciling Items:				
Amount written off per statute				(43,209)
Interest collected				(126,071)
Miscellaneous				<u>629,768</u>
Total collections and credits				<u>\$ 35,200,114</u>

CITY OF GREENVILLE, NORTH CAROLINA
ANALYSIS OF CURRENT TAX LEVY – CITY-WIDE LEVY
OTHER SUPPLEMENTARY INFORMATION

Schedule A-14

YEAR ENDED JUNE 30, 2019

	City-Wide		Total Levy		
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year's rate	\$ 6,852,251,538	0.52	\$ 35,631,708	\$ 30,863,886	\$ 4,767,822
Penalties	-		12,556	12,556	-
Total	<u>6,852,251,538</u>		<u>35,644,264</u>	<u>30,876,442</u>	<u>4,767,822</u>
Discoveries:					
Current year taxes	66,764,808	0.52	347,177	347,177	-
Penalties	-		4,766	4,766	-
Total	<u>66,764,808</u>		<u>351,943</u>	<u>351,943</u>	<u>-</u>
Abatements	<u>(182,244,231)</u>		<u>(947,670)</u>	<u>(947,670)</u>	<u>-</u>
Total property valuation	<u>\$ 6,736,772,115</u>				
Net levy			35,048,537	30,280,715	4,767,822
Uncollected taxes as of June 30, 2019			<u>(104,263)</u>	<u>(104,263)</u>	<u>-</u>
Current year's taxes collected			<u>\$ 34,944,274</u>	<u>\$ 30,176,452</u>	<u>\$ 4,767,822</u>
Current levy collection percentage			99.70%	99.66%	100.00%
Prior year collection percentage					



Governmental Fund Financial Statements

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2019



GENERAL FUND

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

YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2018

	2019		Variance Positive/ Negative	2018
	Budget	Actual		Actual
Revenues:				
Ad Valorem Taxes:				
Taxes		\$ 35,583,502		\$ 34,690,876
Interest and penalties		126,071		150,832
Tax discounts		(848,344)		(422,613)
Tax refunds		(121,603)		(44,969)
Total ad valorem taxes	\$ 35,231,023	34,739,626	\$ (491,397)	34,374,126
Other Taxes:				
Local options sales tax		7,888,284		7,154,636
Cable TV franchise tax		834,988		850,550
One-half percent sales tax		8,442,573		7,786,382
Medicaid Hold Harmless payment		4,405,401		4,176,683
Rental vehicle - gross receipts		172,414		150,760
Total other taxes	20,484,996	21,743,660	1,258,664	20,119,011
Unrestricted Intergovernmental:				
Other unrestricted revenues		67,945		66,147
Utilities franchise tax		6,948,992		6,846,549
Beer and wine tax		392,373		386,066
Total unrestricted intergovernmental	7,492,543	7,409,310	(83,233)	7,298,762
Restricted Intergovernmental:				
NC DOT traffic control lights		-		39,505
Housing Authority Drug Grant		36,797		10,690
Special Federal, State, and Local Grants		9,250		17,077
Section 104F Planning Grant		433,314		177,670
Other restricted intergovernmental revenue		177,225		266,360
Powell Bill – State allocation payment		2,180,451		2,185,760
Total restricted intergovernmental	3,057,500	2,837,037	(220,463)	2,697,062
Licenses, Permits, and Fees:				
Privilege licenses		-		-
Inspection fees		1,272,358		956,876
State fire protection		400,596		390,037
Planning department fees		126,820		136,226
Police department fees		871,609		1,790,076
Fire and rescue department fees		182,270		191,404
Other permits and fees		119,024		128,230
Total licenses, permits, and fees	2,938,371	2,972,677	34,306	3,592,849

GENERAL FUND

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

YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2018

	2019		Variance Positive/ Negative	2018
	Budget	Actual		Actual
Sales and Services:				
Rescue fees		\$ 3,394,942		\$ 3,637,467
Recreation department programs and fees		980,375		975,965
Utilities street cuts		136,147		36,257
Rents and concessions		420,206		337,746
Other sales and services		785,952		588,568
Total sales and services	\$ 5,757,597	5,717,622	\$ (39,975)	5,576,003
Investment earnings	500,000	1,719,765	1,219,765	332,301
Other Revenues:				
Parking violation penalty		195,798		340,409
Other revenues		785,272		711,434
Total other revenues	844,839	981,070	136,231	1,051,843
Total Revenues	76,306,869	78,120,767	1,813,898	75,041,957
Expenditures:				
General Government:				
Mayor and City Council		425,389		534,543
City Manager		2,370,052		2,409,566
City Clerk		259,924		254,946
City Attorney		497,066		471,153
Human Resources		2,532,019		2,850,800
Financial Services		2,382,512		2,370,194
Information Technology		3,142,448		3,037,385
Allocation of indirect cost		(1,532,440)		(1,522,110)
Contribution to OPEB trust		600,000	-	500,000
Total general government	10,893,591	10,676,970	216,621	10,906,477
Public Safety:				
Fire and rescue		14,891,338		14,610,394
Police		25,132,600		25,960,778
Total public safety	40,677,448	40,023,938	653,510	40,571,172
Public Works:				
Other public works		9,500,256		8,148,441
Streets		1,354,119		1,150,038
Total public works	10,976,759	10,854,375	122,384	9,298,479
Economic and Physical Development:				
Community development		2,847,684		2,688,578
Total economic and physical development	3,080,906	2,847,684	233,222	2,688,578

GENERAL FUND

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

YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2018

	2019		Variance Positive/ Negative	2018
	Budget	Actual		Actual
Cultural and Recreational:				
Recreation		\$ 7,014,081		\$ 7,535,695
Total cultural and recreational	\$ 7,358,545	7,014,081	\$ 344,464	7,535,695
Total expenditures	72,987,249	71,417,048	1,570,201	71,000,401
Revenues over (under) expenditures	3,319,620	6,703,719	3,384,099	4,041,556
Other Financing Sources (Uses):				
Transfers to/from other funds:				
Greenville Utilities Commission turnover	5,893,110	5,908,642	15,532	5,853,236
Greenville Utilities Commission, lighting reimbursement	798,682	809,172	10,490	747,547
Other funds	70,000	-	(70,000)	253,890
Transfers to other funds	(12,366,880)	(12,366,880)	-	(19,418,526)
Contingency	(4,800)	-	4,800	-
Appropriated fund balance	2,290,268	-	(2,290,268)	-
Total other financing sources (uses)	(3,319,620)	(5,649,066)	(2,329,446)	(12,563,853)
Net change in fund balance	\$ -	1,054,653	\$ 1,054,653	(8,522,297)
Fund Balance:				
Fund balance, beginning of year – July 1		22,898,787		31,421,084
Fund balance, end of year – June 30		\$ 23,953,440		\$ 22,898,787



Non-Major Governmental Fund Statements

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2019



CITY OF GREENVILLE, NORTH CAROLINA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

Schedule B-1

JUNE 30, 2019

	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>	<u>Total</u>
Assets:				
Cash and cash equivalents	\$ 1,163,193	\$ -	\$ 10,684,939	\$ 11,848,132
Accounts receivable, net	1,183,706	-	2,723,110	3,906,816
Interest receivable	342	-	-	342
Due from other funds	947	98,767	-	99,714
Due from other governments	87,570	-	-	87,570
Prepaid items and deposits	75,211	-	-	75,211
Restricted cash and investments	1,020,783	1,302,562	3,313,844	5,637,189
Total assets	<u>\$ 3,531,752</u>	<u>\$ 1,401,329</u>	<u>\$ 16,721,893</u>	<u>\$ 21,654,974</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable and accrued liabilities	\$ 76,742	\$ -	\$ 118,258	\$ 195,000
Advances from grantors	167,842	-	30,872	198,714
Due to other funds	775,863	266,530	193,866	1,236,259
Restricted accounts payable and accrued liabilities	-	-	981,661	981,661
Total liabilities	<u>1,020,447</u>	<u>266,530</u>	<u>1,324,657</u>	<u>2,611,634</u>
Deferred Inflows of Resources:				
Accounts/loans receivable	287,084	-	2,235,921	2,523,005
Total deferred inflows of resources	<u>287,084</u>	<u>-</u>	<u>2,235,921</u>	<u>2,523,005</u>
Fund Balances:				
Nonspendable:				
Prepaid items	75,211	-	-	75,211
Restricted:				
Stabilization by State statute	1,715,512	98,797	5,003,373	6,817,682
Restricted for economic development	837,990	-	3,313,844	4,151,834
Restricted for debt service	-	1,302,562	-	1,302,562
Restricted for donations	182,793	-	-	182,793
Restricted for loans receivable	-	-	301,795	301,795
Committed:				
Committed for general government	-	-	211,170	211,170
Committed for cultural and recreational	62,744	-	815,579	878,323
Committed for public safety	-	-	495,243	495,243
Committed for economic development	-	-	1,070,726	1,070,726
Committed for capital outlays	-	-	5,852,511	5,852,511
Assigned:				
Assigned for subsequent year's expenditures	40,172	-	-	40,172
Assigned for cultural and recreational	768,419	-	-	768,419
Unassigned	(1,458,620)	(266,560)	(3,902,926)	(5,628,106)
Total fund balances	<u>2,224,221</u>	<u>1,134,799</u>	<u>13,161,315</u>	<u>16,520,335</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,531,752</u>	<u>\$ 1,401,329</u>	<u>\$ 16,721,893</u>	<u>\$ 21,654,974</u>

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2019

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total
Revenues:				
Other taxes	\$ -	\$ 799,018	\$ 521,570	\$ 1,320,588
Restricted intergovernmental	2,920,401	-	1,381,592	4,301,993
Investment earnings	2,534	68,989	40,900	112,423
Other revenues	457,708	-	85,782	543,490
Restricted other revenues	27,452	-	-	27,452
Total revenues	<u>3,408,095</u>	<u>868,007</u>	<u>2,029,844</u>	<u>6,305,946</u>
Expenditures:				
Current:				
General government	445,784	-	222,470	668,254
Public safety	21,166	-	1,285,192	1,306,358
Environmental protection	-	-	1,229,488	1,229,488
Public works	-	-	897,517	897,517
Cultural and recreational	2,502,649	-	992,710	3,495,359
Economic and physical development	2,718,507	-	6,299,996	9,018,503
Principal retirement	-	4,291,840	-	4,291,840
Interest and fees	-	1,023,228	-	1,023,228
Total expenditures	<u>5,688,106</u>	<u>5,315,068</u>	<u>10,927,373</u>	<u>21,930,547</u>
Revenues over (under) expenditures	<u>(2,280,011)</u>	<u>(4,447,061)</u>	<u>(8,897,529)</u>	<u>(15,624,601)</u>
Other Financing Sources (Uses):				
Long-term debt issued	-	-	962,778	962,778
Transfers from other funds	1,832,683	4,687,002	3,994,479	10,514,164
Transfers to other funds	(160,178)	-	(250,000)	(410,178)
Total other financing sources (uses)	<u>1,672,505</u>	<u>4,687,002</u>	<u>4,707,257</u>	<u>11,066,764</u>
Net change in fund balances	(607,506)	239,941	(4,190,272)	(4,557,837)
Fund Balances:				
Fund balances, beginning of year – July 1,	<u>2,831,727</u>	<u>894,858</u>	<u>17,351,587</u>	<u>21,078,172</u>
Fund balances, end of year – June 30	<u>\$ 2,224,221</u>	<u>\$ 1,134,799</u>	<u>\$ 13,161,315</u>	<u>\$ 16,520,335</u>

CITY OF GREENVILLE, NORTH CAROLINA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

Schedule C-1

JUNE 30, 2019

	Community Development and HOME Fund	Sheppard Memorial Library	Housing Trust Fund	Centralized Grant Fund	FEMA Fund	Donations Fund	Total
Assets:							
Cash and cash equivalents	\$ -	\$ 989,845	\$ -	\$ -	\$ 173,348	\$ -	\$ 1,163,193
Accounts receivable, net	833,506	1,765	6,632	341,371	432	-	1,183,706
Interest receivable	-	342	-	-	-	-	342
Due from other funds	-	947	-	-	-	-	947
Due from other governments	-	87,570	-	-	-	-	87,570
Prepaid items	-	75,211	-	-	-	-	75,211
Restricted cash and investments	-	-	15,187	822,803	-	182,793	1,020,783
Total assets	\$ 833,506	\$ 1,155,680	\$ 21,819	\$ 1,164,174	\$ 173,780	\$ 182,793	\$ 3,531,752
Liabilities, Deferred Inflows of Resources, and Fund Balances:							
Liabilities:							
Accounts payable and accrued liabilities	\$ 30,757	\$ 14,897	\$ -	\$ 31,088	\$ -	\$ -	\$ 76,742
Advances from grantors	-	-	-	167,842	-	-	167,842
Due to other funds	378,414	97,937	1,654	297,858	-	-	775,863
Total liabilities	409,171	112,834	1,654	496,788	-	-	1,020,447
Deferred Inflows of Resources:							
Accounts/loans receivable	287,084	-	-	-	-	-	287,084
Total deferred inflows of resources	287,084	-	-	-	-	-	287,084
Fund Balances:							
Nonspendable:							
Prepaid items	-	75,211	-	-	-	-	75,211
Restricted:							
Stabilization by State statute	980,171	96,300	4,978	633,631	432	-	1,715,512
Restricted for economic and physical development	-	-	15,187	822,803	-	-	837,990
Restricted for donations	-	-	-	-	-	182,793	182,793
Committed:							
Committed for cultural and recreational	-	62,744	-	-	-	-	62,744
Assigned:							
Assigned for subsequent year's expenditures	-	40,172	-	-	-	-	40,172
Assigned for cultural and recreational	-	768,419	-	-	-	-	768,419
Unassigned	(842,920)	-	-	(789,048)	173,348	-	(1,458,620)
Total fund balances	137,251	1,042,846	20,165	667,386	173,780	182,793	2,224,221
Total liabilities, deferred inflows of resources, and fund balances	\$ 833,506	\$ 1,155,680	\$ 21,819	\$ 1,164,174	\$ 173,780	\$ 182,793	\$ 3,531,752

NONMAJOR SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2019

	Community Development and HOME Fund	Sheppard Memorial Library	Housing Trust Fund	Centralized Grant Fund	FEMA Fund	Donations Fund	Total
Revenues:							
Restricted intergovernmental	\$ 396,073	\$ 990,282	\$ -	\$ 1,131,105	\$ 328,371	\$ 74,570	2,920,401
Investment earnings	-	2,534	-	-	-	-	2,534
Other revenues	227,125	161,819	-	-	68,764	-	457,708
Restricted other revenues	-	-	-	-	-	27,452	27,452
Total revenues	<u>623,198</u>	<u>1,154,635</u>	<u>-</u>	<u>1,131,105</u>	<u>397,135</u>	<u>102,022</u>	<u>3,408,095</u>
Expenditures:							
Current:							
General government	-	-	-	-	445,784	-	445,784
Cultural and recreational	-	2,405,755	-	-	-	96,894	2,502,649
Public safety	-	-	-	-	-	21,166	21,166
Economic and physical development	1,512,813	-	2,572	1,198,665	-	4,457	2,718,507
Total expenditures	<u>1,512,813</u>	<u>2,405,755</u>	<u>2,572</u>	<u>1,198,665</u>	<u>445,784</u>	<u>122,517</u>	<u>5,688,106</u>
Revenues over (under) expenditures	<u>(889,615)</u>	<u>(1,251,120)</u>	<u>(2,572)</u>	<u>(67,560)</u>	<u>(48,649)</u>	<u>(20,495)</u>	<u>(2,280,011)</u>
Other Financing Sources (Uses):							
Transfers from other funds	309,830	1,269,958	-	49,607	-	203,288	1,832,683
Transfers to other funds	-	-	-	-	(160,178)	-	(160,178)
Total other financing sources	<u>309,830</u>	<u>1,269,958</u>	<u>-</u>	<u>49,607</u>	<u>(160,178)</u>	<u>203,288</u>	<u>1,672,505</u>
Net change in fund balances	(579,785)	18,838	(2,572)	(17,953)	(208,827)	182,793	(607,506)
Fund Balances:							
Fund balance, beginning of year – July 1	<u>717,036</u>	<u>1,024,008</u>	<u>22,737</u>	<u>685,339</u>	<u>382,607</u>	<u>-</u>	<u>2,831,727</u>
Fund balance, end of year – June 30	<u>\$ 137,251</u>	<u>\$ 1,042,846</u>	<u>\$ 20,165</u>	<u>\$ 667,386</u>	<u>\$ 173,780</u>	<u>\$ 182,793</u>	<u>\$ 2,224,221</u>

CITY OF GREENVILLE, NORTH CAROLINA
COMMUNITY DEVELOPMENT AND HOME FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL

Schedule C-3

FROM INCEPTION AND YEAR ENDED JUNE 30, 2019

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Closed Projects</u>	<u>Current Year</u>	<u>Total</u>
Revenues:					
CDBG and Home Entitlement Program:					
Property owners matching fund	\$ -	\$ 42,570	\$ -	\$ -	\$ 42,570
Federal grant, HUD	6,024,737	14,905,962	-	396,073	15,302,035
Consortium members	-	13,666	-	-	13,666
Loan payments	565,616	486,721	-	123,020	609,741
Interest income	-	25	-	-	25
Sale of acquired property	-	<u>425,832</u>	-	<u>104,105</u>	<u>529,937</u>
Total revenues	<u>6,590,353</u>	<u>15,874,776</u>	<u>-</u>	<u>623,198</u>	<u>16,497,974</u>
Expenditures:					
CDBG and Home Entitlement Program:					
Administration	3,015,700	3,843,986	-	721,970	4,565,956
Rehabilitation – third-party owned dwellings	2,942,324	6,429,651	-	696,935	7,126,586
Rehabilitation – rental	-	62,875	-	-	62,875
Outside agency funding	658,597	1,142,952	-	2,721	1,145,673
Acquisition dilapidated	29,987	430,596	-	-	430,596
Code enforcement	-	178,110	-	-	178,110
Small area revitalization	-	5,000	-	-	5,000
Demolition grants	61,963	131,360	-	26,238	157,598
Secondary mortgage	736,285	723,060	-	40,000	763,060
Economic Development Study, West Greenville/ Meadowbrook	33,004	269,432	-	-	269,432
Other expenses	-	58,010	-	-	58,010
Relocation	-	46,481	-	-	46,481
Contribution to other consortium members	219,488	3,835,788	-	24,949	3,860,737
Capital outlay	-	<u>11,834</u>	-	-	<u>11,834</u>
Total expenditures	<u>7,697,348</u>	<u>17,169,135</u>	<u>-</u>	<u>1,512,813</u>	<u>18,681,948</u>
Revenues under expenditures	<u>(1,106,995)</u>	<u>(1,294,359)</u>	<u>-</u>	<u>(889,615)</u>	<u>(2,183,974)</u>
Other Financing Sources (Uses):					
Transfers in (out):					
Transfers from other funds	1,217,155	2,877,752	-	309,830	3,187,582
Transfers to other funds	<u>(110,160)</u>	<u>(866,357)</u>	<u>-</u>	<u>-</u>	<u>(866,357)</u>
Total other financing sources	<u>1,106,995</u>	<u>2,011,395</u>	<u>-</u>	<u>309,830</u>	<u>2,321,225</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 717,036</u>	<u>\$ -</u>	<u>(579,785)</u>	<u>\$ 137,251</u>
Fund Balance:					
Fund balance, beginning of year – July 1				<u>717,036</u>	
Fund balance, end of year – June 30				<u>\$ 137,251</u>	

CITY OF GREENVILLE, NORTH CAROLINA

Schedule C-4

SHEPPARD MEMORIAL LIBRARY FUND

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

YEAR ENDED JUNE 30, 2019

	Budget	Actual	Variance Positive/ Negative
Revenues:			
Pitt County - operating	\$ 601,194	\$ 601,194	\$ -
Town of Bethel	21,108	21,108	-
Town of Winterville	165,300	165,300	-
Pitt County for Town of Bethel and Winterville	12,000	12,000	-
State aid	190,682	190,680	(2)
Fees	110,500	108,507	(1,993)
Interest earnings	6,276	2,534	(3,742)
Greenville Housing Authority	10,692	10,692	-
Miscellaneous	38,456	42,620	4,164
Total revenues	<u>1,156,208</u>	<u>1,154,635</u>	<u>(1,573)</u>
Expenditures:			
Current:			
Cultural and recreational:			
Salaries and benefits	1,621,504	1,569,151	52,353
Greenville Housing Authority	10,692	10,345	347
Other operating expenditures	527,538	327,795	199,743
Maintenance and repairs	294,080	284,276	9,804
Capital outlay	35,467	214,188	(178,721)
Total expenditures	<u>2,489,281</u>	<u>2,405,755</u>	<u>83,526</u>
Revenues over (under) expenditures	<u>(1,333,073)</u>	<u>(1,251,120)</u>	<u>81,953</u>
Other Financing Sources (Uses):			
Transfers in - City of Greenville - operating	1,269,958	1,269,958	-
Appropriated fund balance	63,115	-	(63,115)
Total other financing sources (uses)	<u>1,333,073</u>	<u>1,269,958</u>	<u>(63,115)</u>
Net change in fund balance	<u>\$ -</u>	<u>18,838</u>	<u>\$ 18,838</u>
Fund Balances:			
Fund balance, beginning of year – July 1		<u>1,024,008</u>	
Fund balance, end of year – June 30		<u>\$ 1,042,846</u>	

HOUSING TRUST FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2019

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Grants	\$ 178,500	\$ 178,576	\$ -	\$ 178,576
Investment earnings	12,472	12,473	-	12,473
Other revenues	31,003	38,213	-	38,213
Total revenues	<u>221,975</u>	<u>229,262</u>	<u>-</u>	<u>229,262</u>
Expenditures:				
Small area revitalization	22,332	20,313	2,563	22,876
Rehabilitation	221,113	215,374	-	215,374
Other expenditures	99,530	91,838	9	91,847
Total expenditures	<u>342,975</u>	<u>327,525</u>	<u>2,572</u>	<u>330,097</u>
Revenues under expenditures	(121,000)	(98,263)	(2,572)	(100,835)
Other Financing Sources:				
Transfers from other funds	<u>121,000</u>	<u>121,000</u>	<u>-</u>	<u>121,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 22,737</u>	<u>(2,572)</u>	<u>\$ 20,165</u>
Fund Balance:				
Fund balance, beginning of year – July 1			<u>22,737</u>	
Fund balance, end of year – June 30			<u>\$ 20,165</u>	

CENTRALIZED GRANT PROJECTS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2019

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Federal and State grants	\$ 7,537,194	\$ 3,505,688	\$ 1,131,105	\$ 4,636,793
Investment income	-	1	-	1
Other revenue	-	2,211	-	2,211
Total revenues	<u>7,537,194</u>	<u>3,507,900</u>	<u>1,131,105</u>	<u>4,639,005</u>
Expenditures:				
Current:				
Economic and physical development	7,720,820	2,765,101	1,176,165	3,941,266
Capital outlay	<u>1,061,609</u>	<u>1,037,702</u>	<u>22,500</u>	<u>1,060,202</u>
Total expenditures	<u>8,782,429</u>	<u>3,802,803</u>	<u>1,198,665</u>	<u>5,001,468</u>
Revenues over (under) expenditures	<u>(1,245,235)</u>	<u>(294,903)</u>	<u>(67,560)</u>	<u>(362,463)</u>
Other Financing Sources (Uses):				
Transfers to other funds	(33,146)	(33,146)	-	(33,146)
Transfers from other funds	<u>1,278,381</u>	<u>1,013,388</u>	<u>49,607</u>	<u>1,062,995</u>
Total other financing sources	<u>1,245,235</u>	<u>980,242</u>	<u>49,607</u>	<u>1,029,849</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 685,339</u>	<u>(17,953)</u>	<u>\$ 667,386</u>
Fund Balance:				
Fund balance, beginning of year – July 1			<u>685,339</u>	
Fund balance, end of year – June 30			<u>\$ 667,386</u>	

FEMA FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2019

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Restricted Intergovernmental:				
Federal, State, and local grants	\$ 2,804,337	\$ 589,538	\$ 328,371	\$ 917,909
Local:				
Mutual aid	-	-	68,764	68,764
Total restricted intergovernmental	<u>2,804,337</u>	<u>589,538</u>	<u>397,135</u>	<u>986,673</u>
Interest earned on investments	-	-	-	-
Total revenues	<u>2,804,337</u>	<u>589,538</u>	<u>397,135</u>	<u>986,673</u>
Expenditures:				
Current:				
General government:				
Hurricane Florence	508,674	-	388,564	388,564
Hurricane Matthew	<u>1,988,421</u>	<u>207,531</u>	<u>57,220</u>	<u>264,751</u>
Total expenditures	<u>2,497,095</u>	<u>207,531</u>	<u>445,784</u>	<u>653,315</u>
Revenues over (under) expenditures	<u>307,242</u>	<u>382,007</u>	<u>(48,649)</u>	<u>333,358</u>
Other Financing Sources:				
Transfer from other funds	181,192	600	-	600
Transfer to other funds	<u>(488,434)</u>	-	<u>(160,178)</u>	<u>(160,178)</u>
Total other financing sources (uses)	<u>(307,242)</u>	<u>600</u>	<u>(160,178)</u>	<u>(159,578)</u>
Revenues and other financing sources (uses) over (under) expenditures	<u>\$ -</u>	<u>\$ 382,607</u>	<u>(208,827)</u>	<u>\$ 173,780</u>
Fund Balance:				
Fund balance, beginning of year – July 1			<u>382,607</u>	
Fund balance, end of year – June 30			<u>\$ 173,780</u>	

DONATIONS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2019

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Restricted Intergovernmental:				
Local				
Donations	\$ -	\$ -	\$ 74,570	\$ 74,570
Total restricted intergovernmental	<u>-</u>	<u>-</u>	<u>74,570</u>	<u>74,570</u>
Miscellaneous, Restricted:				
Donations	<u>-</u>	<u>-</u>	<u>27,452</u>	<u>27,452</u>
Total revenues	<u>-</u>	<u>-</u>	<u>102,022</u>	<u>102,022</u>
Expenditures:				
Current:				
General government	1,135	-	-	-
Public Safety	24,729	-	21,166	21,166
Cultural and recreational	175,236	-	96,894	96,894
Economic and Physical Development	<u>2,188</u>	<u>-</u>	<u>4,457</u>	<u>4,457</u>
Total expenditures	<u>203,288</u>	<u>-</u>	<u>122,517</u>	<u>122,517</u>
Revenues over (under) expenditures	<u>(203,288)</u>	<u>-</u>	<u>(20,495)</u>	<u>(20,495)</u>
Other Financing Sources:				
Transfer from other funds	<u>203,288</u>	<u>-</u>	<u>203,288</u>	<u>203,288</u>
Revenues and other financing sources (uses) over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>182,793</u>	<u>\$ 182,793</u>
Fund Balance:				
Fund balance, beginning of year – July 1			<u>-</u>	
Fund balance, end of year – June 30			<u>\$ 182,793</u>	

CITY OF GREENVILLE, NORTH CAROLINA
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET

Schedule D-1

JUNE 30, 2019

	Affordable Housing Project Fund	Recreation and Parks Fund	Public Works Fund	Greenways Fund	Street Improvement Fund	Community Development Fund	IT Fund	Police Fund	Capital Reserve Fund	Total
Assets:										
Cash and cash equivalents	\$ 470,089	\$ 2,519,529	\$ 384,812	\$ 494,423	\$ -	\$ 474,021	\$ 211,170	\$ 278,384	\$ 5,852,511	\$ 10,684,939
Accounts receivable, net	304,071	82,874	2,246,369	89,796	-	-	-	-	-	2,723,110
Restricted cash and investments	-	-	2,242,435	-	785,133	-	-	286,276	-	3,313,844
Total assets	\$ 774,160	\$ 2,602,403	\$ 4,873,616	\$ 584,219	\$ 785,133	\$ 474,021	\$ 211,170	\$ 564,660	\$ 5,852,511	\$ 16,721,893
Liabilities, Deferred Inflows of Resources, and Fund Balances:										
Liabilities:										
Accounts payable and accrued liabilities	\$ 33,804	\$ 22,665	\$ -	\$ 483	\$ 60,986	\$ -	\$ -	\$ 320	\$ -	\$ 118,258
Advances from grantors	-	-	30,872	-	-	-	-	-	-	30,872
Due to other funds	-	-	-	-	193,866	-	-	-	-	193,866
Restricted accounts payable and accrued liabilities	-	-	196,528	-	785,133	-	-	-	-	981,661
Total liabilities	33,804	22,665	227,400	483	1,039,985	-	-	320	-	1,324,657
Deferred Inflows of Resources:										
Accounts receivable	-	-	2,235,921	-	-	-	-	-	-	2,235,921
Total deferred inflows of resources	-	-	2,235,921	-	-	-	-	-	-	2,235,921
Fund Balances:										
Restricted:										
Stabilization by State statute	2,276	2,139,348	2,442,730	208,547	-	141,375	-	69,097	-	5,003,373
Restricted for economic development	-	-	2,242,435	-	785,133	-	-	286,276	-	3,313,844
Loans receivable	301,795	-	-	-	-	-	-	-	-	301,795
Committed:										
Committed for general government	-	-	-	-	-	-	211,170	-	-	211,170
Committed for cultural and recreational	-	440,390	-	375,189	-	-	-	-	-	815,579
Committed for public safety	-	-	-	-	-	-	-	495,243	-	495,243
Committed for economic development	738,080	-	-	-	-	332,646	-	-	-	1,070,726
Committed for capital outlays	-	-	-	-	-	-	-	-	5,852,511	5,852,511
Unassigned	(301,795)	-	(2,274,870)	-	(1,039,985)	-	-	(286,276)	-	(3,902,926)
Total fund balances	740,356	2,579,738	2,410,295	583,736	(254,852)	474,021	211,170	564,340	5,852,511	13,161,315
Total liabilities, deferred inflows of resources, and fund balances	\$ 774,160	\$ 2,602,403	\$ 4,873,616	\$ 584,219	\$ 785,133	\$ 474,021	\$ 211,170	\$ 564,660	\$ 5,852,511	\$ 16,721,893

CITY OF GREENVILLE, NORTH CAROLINA

NONMAJOR CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2019

	Affordable Housing Project Fund	Recreation and Parks Fund	Public Works Fund	Greenways Fund	Street Improvement Fund	Community Development Fund	IT Fund	Police Fund	Capital Reserve Fund	Total
Revenues:										
Restricted intergovernmental	\$ -	\$ 104,087	\$ 1,037,709	\$ 89,796	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ 1,381,592
Other taxes and licenses	-	-	521,570	-	-	-	-	-	-	521,570
Investment earnings	-	-	3,927	-	35,796	-	-	182	995	40,900
Other revenues	23,866	-	24,675	-	-	37,241	-	-	-	85,782
Total revenues	<u>23,866</u>	<u>104,087</u>	<u>1,587,881</u>	<u>89,796</u>	<u>35,796</u>	<u>187,241</u>	<u>-</u>	<u>182</u>	<u>995</u>	<u>2,029,844</u>
Expenditures:										
Current:										
General government	-	-	-	-	132,757	-	89,713	-	-	222,470
Public safety	-	-	-	-	-	-	-	1,285,192	-	1,285,192
Environmental protection	-	-	-	-	1,229,488	-	-	-	-	1,229,488
Public Works	-	-	-	-	897,517	-	-	-	-	897,517
Cultural and recreational	-	802,994	-	626	189,090	-	-	-	-	992,710
Economic and physical development	22,080	-	6,185,220	-	-	92,696	-	-	-	6,299,996
Total current expenditures	<u>22,080</u>	<u>802,994</u>	<u>6,185,220</u>	<u>626</u>	<u>2,448,852</u>	<u>92,696</u>	<u>89,713</u>	<u>1,285,192</u>	<u>-</u>	<u>10,927,373</u>
Total expenditures	<u>22,080</u>	<u>802,994</u>	<u>6,185,220</u>	<u>626</u>	<u>2,448,852</u>	<u>92,696</u>	<u>89,713</u>	<u>1,285,192</u>	<u>-</u>	<u>10,927,373</u>
Revenues over (under) expenditures	<u>1,786</u>	<u>(698,907)</u>	<u>(4,597,339)</u>	<u>89,170</u>	<u>(2,413,056)</u>	<u>94,545</u>	<u>(89,713)</u>	<u>(1,285,010)</u>	<u>995</u>	<u>(8,897,529)</u>
Other Financing Sources (Uses):										
Installment financing proceeds	-	-	-	-	-	-	-	962,778	-	962,778
Transfers from other funds	-	96,000	3,076,081	-	-	-	-	259,676	562,722	3,994,479
Transfer to other funds	-	-	-	-	-	-	-	-	(250,000)	(250,000)
Total other financing sources	<u>-</u>	<u>96,000</u>	<u>3,076,081</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,222,454</u>	<u>312,722</u>	<u>4,707,257</u>
Net change in fund balances	<u>1,786</u>	<u>(602,907)</u>	<u>(1,521,258)</u>	<u>89,170</u>	<u>(2,413,056)</u>	<u>94,545</u>	<u>(89,713)</u>	<u>(62,556)</u>	<u>313,717</u>	<u>(4,190,272)</u>
Fund Balances:										
Fund balances, beginning of year – July 1,	<u>738,570</u>	<u>3,182,645</u>	<u>3,931,553</u>	<u>494,566</u>	<u>2,158,204</u>	<u>379,476</u>	<u>300,883</u>	<u>626,896</u>	<u>5,538,794</u>	<u>17,351,587</u>
Fund balances, end of year – June 30	<u>\$ 740,356</u>	<u>\$ 2,579,738</u>	<u>\$ 2,410,295</u>	<u>\$ 583,736</u>	<u>\$ (254,852)</u>	<u>\$ 474,021</u>	<u>\$ 211,170</u>	<u>\$ 564,340</u>	<u>\$ 5,852,511</u>	<u>\$ 13,161,315</u>

AFFORDABLE HOUSING CAPITAL PROJECTS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2019

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Closed Projects</u>	<u>Current Year</u>	<u>Total</u>
Revenues:					
Interest earnings	\$ 180,500	\$ 190,930	\$ -	\$ -	\$ 190,930
Other revenues	492,100	721,692	-	23,866	745,558
Sale of property	1,706,000	1,807,737	-	-	1,807,737
Total revenues	<u>2,378,600</u>	<u>2,720,359</u>	<u>-</u>	<u>23,866</u>	<u>2,744,225</u>
Expenditures:					
Current:					
Economic and Physical Development:					
Affordable Housing Project	3,903,600	3,507,264	-	22,080	3,529,344
Total expenditures	<u>3,903,600</u>	<u>3,507,264</u>	<u>-</u>	<u>22,080</u>	<u>3,529,344</u>
Revenues over (under) expenditures	<u>(1,525,000)</u>	<u>(786,905)</u>	<u>-</u>	<u>1,786</u>	<u>(785,119)</u>
Other Financing Sources:					
Transfer from General Fund	525,000	525,000	-	-	525,000
Bonds issued	1,000,000	1,000,475	-	-	1,000,475
Total other financing sources	<u>1,525,000</u>	<u>1,525,475</u>	<u>-</u>	<u>-</u>	<u>1,525,475</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 738,570</u>	<u>\$ -</u>	<u>1,786</u>	<u>\$ 740,356</u>
Fund Balance:					
Fund balances, beginning of year – July 1				<u>738,570</u>	
Fund balance, end of year – June 30				<u>\$ 740,356</u>	

RECREATION AND PARKS CAPITAL PROJECTS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Closed Projects	Current Year	Total
Revenues:					
Restricted Intergovernmental:					
Federal, State, and local grants	\$ 1,550,124	\$ 1,254,225	\$ -	\$ 104,087	\$ 1,358,312
Total restricted intergovernmental	<u>1,550,124</u>	<u>1,254,225</u>	<u>-</u>	<u>104,087</u>	<u>1,358,312</u>
Miscellaneous:					
Interest	-	173	-	-	173
Total miscellaneous	<u>-</u>	<u>173</u>	<u>-</u>	<u>-</u>	<u>173</u>
Total revenues	<u>1,550,124</u>	<u>1,254,398</u>	<u>-</u>	<u>104,087</u>	<u>1,358,485</u>
Expenditures:					
Current:					
Cultural and Recreational:					
Town Common	1,570,930	692,359	-	397,966	1,090,325
Sycamore Hill Gateway	2,000,000	2,655	-	7,358	10,013
East Side Park Development	181,255	10,070	-	2,000	12,070
West Side Park Development	97,300	30,105	-	67,231	97,336
Tar River Master Plan	-	1,807	-	-	1,807
Tar River Development	486,632	146,940	-	281,608	428,548
Westside Land Acquisitions	271,153	257,825	-	16,131	273,956
Thomas Foreman Press Box	30,000	-	-	29,950	29,950
Play Together Construction Grant	1,000,000	999,999	-	-	999,999
South Greenville Reconstruction	3,499,500	3,442,808	-	-	3,442,808
Water Sports Facility	239,390	106,390	-	750	107,140
Total cultural and recreational expenditures	<u>9,376,160</u>	<u>5,690,958</u>	<u>-</u>	<u>802,994</u>	<u>6,493,952</u>
Revenues over (under) expenditures	<u>(7,826,036)</u>	<u>(4,436,560)</u>	<u>-</u>	<u>(698,907)</u>	<u>(5,135,467)</u>
Other Financing Sources and Uses:					
Transfer from other Fund	5,746,888	5,523,105	-	96,000	5,619,105
Transfer to other Fund	(20,852)	-	-	-	-
Bonds issued	2,100,000	2,096,100	-	-	2,096,100
Total other financing sources	<u>7,826,036</u>	<u>7,619,205</u>	<u>-</u>	<u>96,000</u>	<u>7,715,205</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 3,182,645</u>	<u>\$ -</u>	<u>(602,907)</u>	<u>\$ 2,579,738</u>
Fund Balance:					
Fund balance, beginning of year – July 1				<u>3,182,645</u>	
Fund balance, end of year – June 30				<u>\$ 2,579,738</u>	

CITY OF GREENVILLE, NORTH CAROLINA

Schedule D-5

PUBLIC WORKS CAPITAL PROJECTS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2019

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Closed Projects</u>	<u>Current Year</u>	<u>Total</u>
Revenues:					
Restricted Intergovernmental:					
Federal, State, and local grants	\$ 25,496,012	\$ 11,440,455	\$ -	\$ 1,037,709	\$ 12,478,164
Total restricted intergovernmental	<u>25,496,012</u>	<u>11,440,455</u>	<u>-</u>	<u>1,037,709</u>	<u>12,478,164</u>
Miscellaneous:					
Other	20,500	347,918	-	24,675	372,593
Interest earnings	33,440	15,647	-	3,927	19,574
Occupancy taxes	130,980	1,587,235	-	521,570	2,108,805
Total miscellaneous	<u>184,920</u>	<u>1,950,800</u>	<u>-</u>	<u>550,172</u>	<u>2,500,972</u>
Total revenues	<u>25,680,932</u>	<u>13,391,255</u>	<u>-</u>	<u>1,587,881</u>	<u>14,979,136</u>
Expenditures:					
Current:					
Economic and Physical Development:					
Street Improvement	10,285,371	5,389,617	-	3,759,696	9,149,313
CVA Expansion Phase III	4,730,981	4,661,788	-	7,822	4,669,610
GTAC Project	9,336,916	9,136,366	-	812,068	9,948,434
King George Bridge	1,341,089	701,180	-	2,302	703,482
Street Lights/Pedestrian Safety	1,276,225	398,381	-	804,675	1,203,056
Sidewalk Development	1,616,251	642,310	-	310,984	953,294
Fire Station #2	184,655	-	-	129,365	129,365
Fire Station #3 Parking Lot	199,551	12,060	-	179,026	191,086
Computerized Traffic Signal System	8,883,151	-	-	-	-
Parking Lot Enhancement	81,903	-	-	4,866	4,866
Imperial Site Demolition	244,178	-	-	-	-
Safe Routes to Schools	1,297,223	-	-	174,416	174,416
Stantonsburg Road / 10th Street Connector	6,194,950	5,657,344	-	-	5,657,344
Thomas Langston Road Extension Project	3,980,847	3,623,774	-	-	3,623,774
Energy Efficiency Recovery Grant	777,600	216,892	-	-	216,892
Energy Savings Equipment	2,591,373	2,590,366	-	-	2,590,366
Pedestrian Crossing	210,761	-	-	-	-
Total expenditures	<u>53,233,025</u>	<u>33,030,078</u>	<u>-</u>	<u>6,185,220</u>	<u>39,215,298</u>
Revenues under expenditures	<u>(27,552,093)</u>	<u>(19,638,823)</u>	<u>-</u>	<u>(4,597,339)</u>	<u>(24,236,162)</u>
Other Financing Sources (Uses):					
Transfer from other funds	15,863,917	12,131,464	-	3,076,081	15,207,545
Transfers to other funds	-	(275,000)	-	-	(275,000)
Long-term debt issued	6,791,373	6,791,372	-	-	6,791,372
Bonds issued	4,896,803	4,922,540	-	-	4,922,540
Total other financing sources	<u>27,552,093</u>	<u>23,570,376</u>	<u>-</u>	<u>3,076,081</u>	<u>26,646,457</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ 3,931,553</u>	<u>\$ -</u>	<u>(1,521,258)</u>	<u>\$ 2,410,295</u>
Fund Balance:					
Fund balance, beginning of year – July 1				<u>3,931,553</u>	
Fund balance, end of year – June 30				<u>\$ 2,410,295</u>	

GREENWAYS CAPITAL PROJECTS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Closed Projects	Current Year	Total
Revenues:					
Restricted Intergovernmental:					
Federal, State, and local grants	\$ 2,579,921	\$ 2,405,188	\$ -	\$ 89,796	\$ 2,494,984
Total restricted intergovernmental	<u>2,579,921</u>	<u>2,405,188</u>	<u>-</u>	<u>89,796</u>	<u>2,494,984</u>
Miscellaneous:					
Donations	-	50,000	-	-	50,000
Total miscellaneous	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Total revenues	<u>2,579,921</u>	<u>2,455,188</u>	<u>-</u>	<u>89,796</u>	<u>2,544,984</u>
Expenditures:					
Current:					
Cultural and Recreational:					
Green Mill Greenway	2,113,935	2,027,632	-	-	2,027,632
South Tar River Greenway Phase 3	1,184,511	713,835	-	626	714,461
Total expenditures	<u>3,298,446</u>	<u>2,741,467</u>	<u>-</u>	<u>626</u>	<u>2,742,093</u>
Revenues over (under) expenditures	<u>(718,525)</u>	<u>(286,279)</u>	<u>-</u>	<u>89,170</u>	<u>(197,109)</u>
Other Financing Sources:					
Transfer from other funds	718,525	780,845	-	-	780,845
Total other financing sources	<u>718,525</u>	<u>780,845</u>	<u>-</u>	<u>-</u>	<u>780,845</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ 494,566</u>	<u>\$ -</u>	<u>89,170</u>	<u>\$ 583,736</u>
Fund Balance:					
Fund balance, beginning of year – July 1				<u>494,566</u>	
Fund balance, end of year – June 30				<u>\$ 583,736</u>	

CITY OF GREENVILLE, NORTH CAROLINA
STREET IMPROVEMENT CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL

Schedule D-7

FROM INCEPTION AND YEAR ENDED JUNE 30, 2019

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Miscellaneous:				
Investment income	\$ -	\$ 91,060	\$ 35,796	\$ 126,856
Total revenues	<u>-</u>	<u>91,060</u>	<u>35,796</u>	<u>126,856</u>
Expenditures:				
Current:				
General Government:				
West 5th Streetscape	1,950,000	-	132,757	132,757
Public Works:				
Statons Road/10th Street	1,750,000	1,500,000	116,748	1,616,748
Arlington Improvements	279,842	-	643,713	643,713
Safe Routes to Schools	198,556	-	-	-
Sidewalks	1,201,444	-	137,056	137,056
Total transportation expenditures	<u>3,429,842</u>	<u>1,500,000</u>	<u>897,517</u>	<u>2,397,517</u>
Environmental Protection:				
Bond resurfacing project	9,720,158	4,987,587	1,229,488	6,217,075
Cultural and Recreational:				
Eastside Greenway	750,000	10,000	189,090	199,090
Debt Service:				
Bond issuance costs	-	131,435	-	131,435
Total expenditures	<u>15,850,000</u>	<u>6,629,022</u>	<u>2,448,852</u>	<u>9,077,874</u>
Revenues under expenditures	<u>(15,850,000)</u>	<u>(6,537,962)</u>	<u>(2,413,056)</u>	<u>(8,951,018)</u>
Other Financing Sources:				
Bond proceeds	15,850,000	8,000,000	-	8,000,000
Premium on bonds	-	696,166	-	696,166
Total other financing sources	<u>15,850,000</u>	<u>8,696,166</u>	<u>-</u>	<u>8,696,166</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 2,158,204</u>	<u>(2,413,056)</u>	<u>\$ (254,852)</u>
Fund Balance:				
Fund balance, beginning of year – July 1			<u>2,158,204</u>	
Fund balance, end of year – June 30			<u>\$ (254,852)</u>	

COMMUNITY DEVELOPMENT CAPITAL PROJECTS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Closed Projects	Current Year	Total
Revenues:					
Restricted Intergovernmental:					
Federal, State, and local grants	\$ 550,000	\$ 415,162	\$ -	\$ 150,000	\$ 565,162
State grants and contributions	7,500	-	-	-	-
Total restricted intergovernmental	<u>557,500</u>	<u>415,162</u>	<u>-</u>	<u>150,000</u>	<u>565,162</u>
Miscellaneous:					
Other	1,112,351	546,584	-	37,241	583,825
Sales and services	-	530,831	-	-	530,831
Interest earnings	399,640	406,577	-	-	406,577
Total miscellaneous	<u>1,511,991</u>	<u>1,483,992</u>	<u>-</u>	<u>37,241</u>	<u>1,521,233</u>
Total revenues	<u>2,069,491</u>	<u>1,899,154</u>	<u>-</u>	<u>187,241</u>	<u>2,086,395</u>
Expenditures:					
Current:					
Economic and Physical Development:					
Uptown Parking Deck	5,209,032	5,075,489	-	-	5,075,489
Center City Revitalization	5,169,917	5,163,656	-	25,000	5,188,656
Imperial Site Project	957,035	957,035	-	1,050	958,085
GUC Energy Improvement	525,000	283,851	-	66,646	350,497
Energy Efficiency Revolving Loan	260,121	251,056	-	-	251,056
West Greenville Revitalization	6,226,714	6,149,884	-	-	6,149,884
Total expenditures	<u>18,347,819</u>	<u>17,880,971</u>	<u>-</u>	<u>92,696</u>	<u>17,973,667</u>
Revenues over (under) expenditures	<u>(16,278,328)</u>	<u>(15,981,817)</u>	<u>-</u>	<u>94,545</u>	<u>(15,887,272)</u>
Other Financing Sources (Uses):					
Transfers to other funds	(243,465)	(160,500)	-	-	(160,500)
Transfers from other funds	1,475,500	1,475,500	-	-	1,475,500
Premium received on debt issue	48,747	48,747	-	-	48,747
Long-term debt issued	-	4,997,546	-	-	4,997,546
Bonds issued	14,997,546	10,000,000	-	-	10,000,000
Total other financing sources	<u>16,278,328</u>	<u>16,361,293</u>	<u>-</u>	<u>-</u>	<u>16,361,293</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ 379,476</u>	<u>\$ -</u>	<u>94,545</u>	<u>\$ 474,021</u>
Fund Balance:					
Fund balance, beginning of year – July 1				<u>379,476</u>	
Fund balance, end of year – June 30				<u>\$ 474,021</u>	

IT CAPITAL PROJECTS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2019

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Closed Projects</u>	<u>Current Year</u>	<u>Total</u>
Expenditures:					
Current:					
General Government:					
ERP	\$ 2,500,000	\$ 2,199,117	\$ -	\$ 89,713	\$ 2,288,830
Total expenditures	<u>2,500,000</u>	<u>2,199,117</u>	<u>-</u>	<u>89,713</u>	<u>2,288,830</u>
Revenues under expenditures	<u>(2,500,000)</u>	<u>(2,199,117)</u>	<u>-</u>	<u>(89,713)</u>	<u>(2,288,830)</u>
Other Financing Sources (Uses):					
Transfer from other funds	<u>2,500,000</u>	<u>2,500,000</u>	<u>-</u>	<u>-</u>	<u>2,500,000</u>
Total other financing sources	<u>2,500,000</u>	<u>2,500,000</u>	<u>-</u>	<u>-</u>	<u>2,500,000</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 300,883</u>	<u>\$ -</u>	<u>(89,713)</u>	<u>\$ 211,170</u>
Fund Balance:					
Fund balance, beginning of year – July 1				<u>300,883</u>	
Fund balance, end of year – June 30				<u>\$ 211,170</u>	

POLICE CAPITAL PROJECTS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2019

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Closed Projects</u>	<u>Current Year</u>	<u>Total</u>
Miscellaneous:					
Other	\$ -	\$ 19,604	\$ -	\$ -	\$ 19,604
Interest earnings	-	6,211	-	182	6,393
Total miscellaneous	<u>-</u>	<u>25,815</u>	<u>-</u>	<u>182</u>	<u>25,997</u>
Total revenues	<u>-</u>	<u>25,815</u>	<u>-</u>	<u>182</u>	<u>25,997</u>
Expenditures:					
Current:					
Public Safety:					
New Technology for Public Safety	3,484,000	2,655,371	-	-	2,655,371
911 Communication System	312,830	1,182	-	308,435	309,617
Police Telecommunications Software	1,234,676	-	-	888,761	888,761
Police Storage Facility	<u>1,744,984</u>	<u>1,502,766</u>	<u>-</u>	<u>87,996</u>	<u>1,590,762</u>
Total expenditures	<u>6,776,490</u>	<u>4,159,319</u>	<u>-</u>	<u>1,285,192</u>	<u>5,444,511</u>
Revenues under expenditures	<u>(6,776,490)</u>	<u>(4,133,504)</u>	<u>-</u>	<u>(1,285,010)</u>	<u>(5,418,514)</u>
Other Financing Sources (Uses):					
Proceeds from installment financing	1,519,484	1,500,000	-	962,778	2,462,778
Bond proceeds	778,874	-	-	-	-
Transfer from other funds	4,478,132	4,022,330	-	259,676	4,282,006
Transfer to other funds	<u>-</u>	<u>(761,930)</u>	<u>-</u>	<u>-</u>	<u>(761,930)</u>
Total other financing sources	<u>6,776,490</u>	<u>4,760,400</u>	<u>-</u>	<u>1,222,454</u>	<u>5,982,854</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ 626,896</u>	<u>\$ -</u>	<u>(62,556)</u>	<u>\$ 564,340</u>
Fund Balance:					
Fund balance, beginning of year – July 1				<u>626,896</u>	
Fund balance, end of year – June 30				<u>\$ 564,340</u>	

CAPITAL RESERVE FUND

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

YEAR ENDED JUNE 30, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ Negative</u>
Revenues:			
Investment earnings	\$ -	\$ 995	\$ 995
Total revenues	<u>-</u>	<u>995</u>	<u>995</u>
Revenues over expenditures	<u>-</u>	<u>995</u>	<u>995</u>
Other Financing Sources (Uses):			
Appropriated fund balance	1,850,751	-	(1,850,751)
Increase in reserve	(562,722)	-	562,722
Transfers from other funds	562,722	562,722	-
Transfers to other funds	(1,850,751)	(250,000)	1,600,751
Total other financing sources	<u>-</u>	<u>312,722</u>	<u>312,722</u>
Net change in fund balance	<u>\$ -</u>	<u>313,717</u>	<u>\$ 313,717</u>
Fund Balance:			
Fund balance, beginning of year – July 1		<u>5,538,794</u>	
Fund balance, end of year – July 1		<u>\$ 5,852,511</u>	



Debt Service Fund Statements

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2019



NONMAJOR DEBT SERVICE FUND

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

YEAR ENDED JUNE 30, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ Negative</u>
Revenues:			
Other taxes	\$ 726,490	\$ 799,018	\$ 72,528
Investment earnings	-	68,989	68,989
Total revenues	<u>726,490</u>	<u>868,007</u>	<u>141,517</u>
Expenditures:			
Current:			
Principal retirement	4,433,476	4,291,840	141,636
Interest and fees	<u>1,030,016</u>	<u>1,023,228</u>	<u>6,788</u>
Total expenditures	<u>5,463,492</u>	<u>5,315,068</u>	<u>148,424</u>
Revenues over (under) expenditures	<u>(4,737,002)</u>	<u>(4,447,061)</u>	<u>289,941</u>
Other Financing Sources:			
Appropriated fund balance	50,000	-	(50,000)
Transfers from other funds	<u>4,687,002</u>	<u>4,687,002</u>	<u>-</u>
Total other financing sources	<u>4,737,002</u>	<u>4,687,002</u>	<u>(50,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>239,941</u>	<u>\$ 239,941</u>
Fund Balance:			
Fund balance, beginning of year – July 1		<u>894,858</u>	
Fund balance, end of year – June 30		<u>\$ 1,134,799</u>	



Proprietary Fund Financial Statements

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2019



CITY OF GREENVILLE, NORTH CAROLINA

Schedule F-1

ELECTRIC OPERATING FUND – MAJOR ENTERPRISE FUND

SCHEDULE OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)

YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2018

	2019		Variance Positive/ Negative	2018
	Budget	Actual		Actual
Revenues:				
Operating Revenues:				
Rates and charges	\$ 171,797,873	\$ 174,263,970	\$ 2,466,097	\$ 173,216,856
Fees and charges	2,663,215	2,978,207	314,992	2,127,927
Miscellaneous	676,409	691,439	15,030	581,463
Total operating revenues	<u>175,137,497</u>	<u>177,933,616</u>	<u>2,796,119</u>	<u>175,926,246</u>
Nonoperating Revenues:				
Interest on investments	1,080,835	1,103,310	22,475	538,907
FEMA/insurance reimbursements	41,959	497,794	455,835	60,137
Miscellaneous	950,907	798,394	(152,513)	2,298,051
Total nonoperating revenues	<u>2,073,701</u>	<u>2,399,498</u>	<u>325,797</u>	<u>2,897,095</u>
Total revenues	<u>177,211,198</u>	<u>180,333,114</u>	<u>3,121,916</u>	<u>178,823,341</u>
Expenditures:				
Electric Fund:				
Operations and maintenance		161,496,706		158,793,073
Capital outlay		9,357,350		7,226,369
Debt service		3,757,021		3,089,613
Total expenditures	<u>175,595,370</u>	<u>174,611,077</u>	<u>984,293</u>	<u>169,109,055</u>
Excess of revenues over expenditures	<u>1,615,828</u>	<u>5,722,037</u>	<u>4,106,209</u>	<u>9,714,286</u>
Other Financing Sources (Uses):				
Revenue bonds issued	384,172	271,258	(112,914)	-
Intrafund transfers in	500,000	-	(500,000)	-
Intrafund transfers out	(2,500,000)	(3,300,000)	(800,000)	(8,830,000)
Total other financing uses	<u>(1,615,828)</u>	<u>(3,028,742)</u>	<u>(1,412,914)</u>	<u>(8,830,000)</u>
Revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 2,693,295</u>	<u>\$ 2,693,295</u>	<u>\$ 884,286</u>
Reconciliation to full accrual basis from modified accrual basis:				
Revenues over expenditures		<u>\$ 2,693,295</u>		<u>\$ 884,286</u>
Budgetary appropriations – capital		9,357,350		7,226,369
Budgetary appropriations – debt principal		2,202,361		1,738,006
Depreciation		(9,725,679)		(9,022,087)
Debt issued		(271,258)		-
Amortization of bond premium and discount		134,567		134,594
Amortization of deferred loss on refundings		(59,778)		(61,735)
Changes in accrued interest payable		(282,190)		11,487
Changes in unrealized gains/losses on investments		354,307		(133,167)
Intra-fund transfers		3,300,000		8,830,000
Changes in deferred outflows for OPEB		4,043,041		-
Changes in net OPEB liability		(4,557,001)		104,302
Changes in deferred inflows for OPEB		183,601		-
Changes in deferred outflows for pensions		1,310,820		(1,107,068)
Changes in net pension liability		(1,674,282)		1,025,791
Changes in deferred inflows for pensions		56,647		54,961
Revenue recognized in stabilization funds		499,930		200,742
Revenue recognized in capital projects		196,456		69,419
Total reconciling items		<u>5,068,892</u>		<u>9,071,614</u>
Changes in net position		<u>\$ 7,762,187</u>		<u>\$ 9,955,900</u>

CITY OF GREENVILLE, NORTH CAROLINA

Schedule F-2

WATER OPERATING FUND – MAJOR ENTERPRISE FUND

SCHEDULE OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)

YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2018

	2019		Variance Positive/ Negative	2018
	Budget	Actual		Actual
Revenues:				
Operating Revenues:				
Rates and charges	\$ 20,746,896	\$ 21,037,132	\$ 290,236	\$ 19,380,229
Fees and charges	467,525	445,694	(21,831)	582,827
Miscellaneous	104,310	116,747	12,437	111,896
Total operating revenues	<u>21,318,731</u>	<u>21,599,573</u>	<u>280,842</u>	<u>20,074,952</u>
Nonoperating Revenues:				
Interest on investments	137,695	156,586	18,891	97,521
FEMA/Insurance reimbursements	2,622	29,490	26,868	-
Miscellaneous	206,771	221,399	14,628	203,134
Total nonoperating revenues	<u>347,088</u>	<u>407,475</u>	<u>60,387</u>	<u>300,655</u>
Total revenues	<u>21,665,819</u>	<u>22,007,048</u>	<u>341,229</u>	<u>20,375,607</u>
Expenditures:				
Operations and maintenance		14,139,657		12,878,873
Capital outlay		646,515		1,843,348
Debt service		5,124,958		3,448,214
Total expenditures	<u>20,682,191</u>	<u>19,911,130</u>	<u>771,061</u>	<u>18,170,435</u>
Excess of revenues over expenditures	<u>983,628</u>	<u>2,095,918</u>	<u>1,112,290</u>	<u>2,205,172</u>
Other Financing Sources (Uses):				
Revenue bonds issued	116,372	82,168	(34,204)	-
Intrafund transfers out	(2,850,000)	(2,766,664)	83,336	(1,735,000)
Appropriated fund balance	1,750,000	-	(1,750,000)	-
Capital contributions	-	831,471	831,471	487,951
Total other financing uses	<u>(983,628)</u>	<u>(1,853,025)</u>	<u>(869,397)</u>	<u>(1,247,049)</u>
Revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 242,893</u>	<u>\$ 242,893</u>	<u>\$ 958,123</u>
Reconciliation to full accrual basis from modified accrual basis:				
Revenues over expenditures		\$ 242,893		\$ 958,123
Budgetary appropriations – capital		646,515		1,843,348
Budgetary appropriations – debt principal		4,356,631		2,596,969
Depreciation		(4,009,278)		(3,943,788)
Debt issued		(82,168)		-
Amortization of bond premium and discount		171,659		127,360
Amortization of deferred loss on refundings		(142,517)		(99,573)
Capitalization of bond interest		-		-
Changes in accrued interest payable		(89,549)		18,069
Changes in unrealized gains/losses on investments		51,412		(17,400)
Intra-fund transfers		2,766,664		1,735,000
Changes in deferred outflows for OPEB		2,169,437		-
Changes in net OPEB liability		(2,445,221)		55,967
Changes in deferred inflows for OPEB		98,518		-
Changes in deferred outflows for pensions		703,367		(594,036)
Changes in net pension liability		(898,395)		550,424
Changes in deferred inflows for pensions		30,396		29,491
Revenue recognized in capital reserve fund		355,768		-
Revenue recognized in capital projects		72,090		413,700
Total reconciling items		<u>3,755,329</u>		<u>2,715,531</u>
Changes in net position		<u>\$ 3,998,222</u>		<u>\$ 3,673,654</u>

SEWER OPERATING FUND – MAJOR ENTERPRISE FUND

SCHEDULE OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)

YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2018

	2019		Variance Positive/ Negative	2018
	Budget	Actual		Actual
Revenues:				
Operating Revenues:				
Rates and charges	\$ 23,288,787	\$ 23,859,199	\$ 570,412	\$ 22,439,848
Fees and charges	511,627	489,939	(21,688)	549,067
Miscellaneous	109,800	119,184	9,384	124,065
Total operating revenues	<u>23,910,214</u>	<u>24,468,322</u>	<u>558,108</u>	<u>23,112,980</u>
Nonoperating Revenues:				
Interest on investments	183,013	199,960	16,947	97,270
FEMA/insurance reimbursements	27,757	29,490	1,733	20,553
Miscellaneous	200,399	265,553	65,154	124,750
Total nonoperating revenues	<u>411,169</u>	<u>495,003</u>	<u>83,834</u>	<u>242,573</u>
Total revenues	<u>24,321,383</u>	<u>24,963,325</u>	<u>641,942</u>	<u>23,355,553</u>
Expenditures:				
Sewer Fund:				
Operations and maintenance		13,575,684		12,858,670
Capital outlay		1,537,251		1,373,786
Debt service		6,198,950		6,394,613
Total expenditures	<u>21,917,805</u>	<u>21,311,885</u>	<u>605,920</u>	<u>20,627,069</u>
Excess of revenues over expenditures	<u>2,403,578</u>	<u>3,651,440</u>	<u>1,247,862</u>	<u>2,728,484</u>
Other Financing Sources (Uses):				
Revenue bonds issued	96,422	68,082	(28,340)	-
Intrafund transfer out	(2,500,000)	(3,100,000)	(600,000)	(2,645,000)
Intrafund transfer in	-	-	-	170,915
Capital contributions	-	996,050	996,050	726,048
Total other financing uses	<u>(2,403,578)</u>	<u>(2,035,868)</u>	<u>367,710</u>	<u>(1,748,037)</u>
Revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 1,615,572</u>	<u>\$ 1,615,572</u>	<u>\$ 980,447</u>
Reconciliation to full accrual basis from modified accrual basis:				
Revenues over (under) expenditures		<u>\$ 1,615,572</u>		<u>\$ 980,447</u>
Budgetary appropriations – capital		1,537,251		1,373,786
Budgetary appropriations – debt principal		4,604,020		4,782,131
Depreciation		(6,094,622)		(6,251,534)
Debt issued		(68,082)		-
Amortization of bond premium and discount		101,526		111,935
Amortization of deferred loss on refundings		(53,520)		(76,924)
Changes in accrued interest payable		(107,323)		(725)
Changes in unrealized gains/losses on investments		86,804		(27,276)
Intra-fund transfers		3,100,000		2,474,085
Changes in deferred outflows for OPEB		2,070,826		-
Changes in net OPEB liability		(2,334,074)		53,423
Changes in deferred inflows for OPEB		94,040		-
Changes in deferred outflows for pensions		671,396		(567,035)
Changes in net pension liability		(857,559)		525,405
Changes in deferred inflows for pensions		29,014		28,151
Revenue recognized in capital reserve fund		427,082		-
Revenue recognized in capital projects		215,877		614,480
Total reconciling items		<u>3,422,656</u>		<u>3,039,902</u>
Changes in net position		<u>\$ 5,038,228</u>		<u>\$ 4,020,349</u>

CITY OF GREENVILLE, NORTH CAROLINA

Schedule F-4

GAS OPERATING FUND – MAJOR ENTERPRISE FUND

SCHEDULE OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)

YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2018

	2019		Variance Positive/ Negative	2018
	Budget	Actual		Actual
Revenues:				
Operating Revenues:				
Rates and charges	\$ 35,886,558	\$ 35,796,087	\$ (90,471)	\$ 36,113,602
Fees and charges	168,476	174,328	5,852	159,092
Miscellaneous	95,000	109,291	14,291	105,347
Total operating revenues	<u>36,150,034</u>	<u>36,079,706</u>	<u>(70,328)</u>	<u>36,378,041</u>
Nonoperating Revenues:				
Interest on investments	286,180	304,608	18,428	145,864
FEMA/insurance reimbursements	5,245	25,804	20,559	-
Miscellaneous	61,510	96,919	35,409	156,644
Total nonoperating revenues	<u>352,935</u>	<u>427,331</u>	<u>74,396</u>	<u>302,508</u>
Total revenues	<u>36,502,969</u>	<u>36,507,037</u>	<u>4,068</u>	<u>36,680,549</u>
Expenditures:				
Gas Fund:				
Operations and maintenance		30,994,546		33,732,041
Capital outlay		1,110,162		966,403
Debt service		1,389,007		1,374,533
Total expenditures	<u>35,395,641</u>	<u>33,493,715</u>	<u>1,901,926</u>	<u>36,072,977</u>
Excess of revenues over (under) expenditures	<u>1,107,328</u>	<u>3,013,322</u>	<u>1,905,994</u>	<u>607,572</u>
Other Financing Sources (Uses):				
Revenue bonds issued	92,672	65,434	(27,238)	-
Intrafund transfers out	(1,200,000)	(2,890,000)	(1,690,000)	(1,200,000)
Total other financing sources (uses)	<u>(1,107,328)</u>	<u>(2,824,566)</u>	<u>(1,717,238)</u>	<u>(1,200,000)</u>
Revenues and other financing sources under expenditures and other financing uses	<u>\$ -</u>	<u>\$ 188,756</u>	<u>\$ 188,756</u>	<u>\$ (592,428)</u>
Reconciliation to Full Accrual Basis From Modified Accrual Basis:				
Revenues over (under) expenditures		\$ 188,756		\$ (592,428)
Budgetary appropriations – capital		1,110,162		966,403
Budgetary appropriations – debt principal		819,486		845,665
Depreciation		(2,374,751)		(2,186,469)
Debt issued		(65,434)		-
Amortization of bond premium and discount		49,850		53,249
Amortization of deferred loss on refundings		(22,075)		(31,284)
Changes in accrued interest payable		(96,577)		5,236
Changes in unrealized gains/losses on investments		110,983		(40,319)
Intrafund transfers		2,890,000		1,200,000
Changes in deferred outflows for OPEB		1,577,772		-
Changes in net OPEB liability		(1,778,342)		40,703
Changes in deferred inflows for OPEB		71,649		-
Changes in deferred outflows for pensions		511,540		(432,026)
Changes in net pension liability		(653,378)		400,309
Changes in deferred inflows for pensions		22,106		21,448
Revenue recognized in stabilization funds		18,188		6,869
Revenue recognized in capital projects		181,466		81,464
Total reconciling items		<u>2,372,645</u>		<u>931,248</u>
Changes in net position		<u>\$ 2,561,401</u>		<u>\$ 338,820</u>

CITY OF GREENVILLE, NORTH CAROLINA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF FUND NET POSITION

Schedule F-5

JUNE 30, 2019

	Public Transportation Fund	Stormwater Utility Fund	Sanitation Fund	Total
Assets:				
Current Assets:				
Cash and cash equivalents	\$ 68,581	\$ 516,686	\$ 2,355,113	\$ 2,940,380
Accounts receivable, net	-	14,751,104	848,060	15,599,164
Due from other governments	271,669	-	-	271,669
Prepaid items	350	-	12,000	12,350
Total current assets	340,600	15,267,790	3,215,173	18,823,563
Noncurrent Assets:				
Construction in progress	-	14,806,834	-	14,806,834
Other capital assets, net of depreciation	2,364,545	9,258,482	152,340	11,775,367
Total noncurrent assets	2,364,545	24,065,316	152,340	26,582,201
Total assets	2,705,145	39,333,106	3,367,513	45,405,764
Deferred outflows of resources - refunding charges	-	61,470	-	61,470
Deferred outflows of resources - pensions	195,807	245,342	558,999	1,000,148
Deferred outflows of resources - OPEB	27,842	29,582	82,260	139,684
Total deferred outflows of resources	223,649	336,394	641,259	1,201,302
Liabilities:				
Current Liabilities:				
Accounts payable and accrued liabilities	94,062	3,283,602	250,090	3,627,754
Due to other funds	-	98,767	-	98,767
Current portion of compensated absences	22,610	-	122,778	145,388
Current maturities of long-term debt	-	367,389	157,142	524,531
Total current liabilities	116,672	3,749,758	530,010	4,396,440
Noncurrent Liabilities:				
Net pension liability	253,034	316,440	727,645	1,297,119
Noncurrent portion of compensated absences	9,960	-	52,619	62,579
Net OPEB liability	836,446	1,027,843	2,390,393	4,254,682
Noncurrent portion of long-term debt	-	18,691,216	330,003	19,021,219
Total noncurrent liabilities	1,099,440	20,035,499	3,500,660	24,635,599
Total liabilities	1,216,112	23,785,257	4,030,670	29,032,039
Deferred inflow of resources - pensions	12,627	17,979	34,896	65,502
Deferred inflow of resources - OPEB	110,774	117,698	327,288	555,760
Total deferred outflows of resources	123,401	135,677	362,184	621,262
Net Position:				
Net investment in capital assets	2,364,545	5,068,181	152,340	7,585,066
Unrestricted	(775,264)	10,680,385	(536,422)	9,368,699
Total net position	\$ 1,589,281	\$ 15,748,566	\$ (384,082)	\$ 16,953,765

NONMAJOR ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

YEAR ENDED JUNE 30, 2019

	Public Transportation Fund	Stormwater Utility Fund	Sanitation Fund	Total
Operating Revenues:				
Charges for services	\$ 244,155	\$ 6,142,671	\$ 7,682,242	\$ 14,069,068
Other operating revenues	48,985	10,000	108,032	167,017
Total operating revenue	<u>293,140</u>	<u>6,152,671</u>	<u>7,790,274</u>	<u>14,236,085</u>
Operating Expenses:				
Administrative and general	220,588	-	-	220,588
Operations and maintenance	2,544,419	4,304,553	7,341,604	14,190,576
Depreciation and amortization	253,855	322,377	28,010	604,242
Total operating expenses	<u>3,018,862</u>	<u>4,626,930</u>	<u>7,369,614</u>	<u>15,015,406</u>
Operating income (loss)	<u>(2,725,722)</u>	<u>1,525,741</u>	<u>420,660</u>	<u>(779,321)</u>
Nonoperating Revenues (Expenses):				
Federal grants	2,109,231	-	-	2,109,231
Interest expense	-	(82,436)	(15,951)	(98,387)
Total nonoperating revenue (expenses)	<u>2,109,231</u>	<u>(82,436)</u>	<u>(15,951)</u>	<u>2,010,844</u>
Income (loss) before contributions and transfers	<u>(616,491)</u>	<u>1,443,305</u>	<u>404,709</u>	<u>1,231,523</u>
Transfers In (Out) and Capital Contributions:				
Capital contributions	1,040,000	923,433	-	1,963,433
Transfers to other funds	-	-	(250,000)	(250,000)
Transfers from other funds	771,894	-	-	771,894
Total transfers in (out) and capital contributions:	<u>1,811,894</u>	<u>923,433</u>	<u>(250,000)</u>	<u>2,485,327</u>
Change in net position	1,195,403	2,366,738	154,709	3,716,850
Net position, beginning of year – July 1	<u>393,878</u>	<u>13,381,828</u>	<u>(538,791)</u>	<u>13,236,915</u>
Net position, end of year – June 30	<u>\$ 1,589,281</u>	<u>\$ 15,748,566</u>	<u>\$ (384,082)</u>	<u>\$ 16,953,765</u>

CITY OF GREENVILLE, NORTH CAROLINA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS

Schedule F-7

YEAR ENDED JUNE 30, 2019

	Public Transportation Fund	Stormwater Utility Fund	Sanitation Fund	Total
Cash flows from Operating Activities:				
Cash received from customers	\$ 659,722	\$ 6,164,308	\$ 7,779,284	\$ 14,603,314
Cash paid to vendors	(1,351,881)	(497,455)	(4,157,509)	(6,006,845)
Cash paid to employees	(1,248,814)	(1,098,089)	(3,102,092)	(5,448,995)
Net cash provided (used) by operating activities	<u>(1,940,973)</u>	<u>4,568,764</u>	<u>519,683</u>	<u>3,147,474</u>
Cash from Noncapital Financing Activities:				
Repayment of principal of long-term debt	-	-	(154,866)	(154,866)
Interest and other financing costs	-	-	(15,951)	(15,951)
Federal and State grants	2,011,084	-	-	2,011,084
Transfers from other funds	771,894	-	-	771,894
Transfers to other funds	-	-	(250,000)	(250,000)
Net cash provided (used) by noncapital financing activities	<u>2,782,978</u>	<u>-</u>	<u>(420,817)</u>	<u>2,362,161</u>
Cash from Capital and Related Financing Activities:				
Repayment of principal of long-term debt	-	(375,083)	-	(375,083)
Proceeds from issuance of debt	-	2,414,575	-	2,414,575
Interest and other financing costs	-	(58,894)	-	(58,894)
Capital contributions	1,040,000	-	-	1,040,000
Acquisition and construction of capital assets	(1,859,320)	(12,316,707)	(28,236)	(14,204,263)
Net cash used by capital and related financing activities	<u>(819,320)</u>	<u>(10,336,109)</u>	<u>(28,236)</u>	<u>(11,183,665)</u>
Net increase (decrease) in cash and cash equivalents	22,685	(5,767,345)	70,630	(5,674,030)
Cash and Cash Equivalents:				
Beginning of year – July 1	45,896	6,284,031	2,284,483	8,614,410
End of year – June 30	<u>\$ 68,581</u>	<u>\$ 516,686</u>	<u>\$ 2,355,113</u>	<u>\$ 2,940,380</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ (2,725,722)	\$ 1,525,741	\$ 420,660	\$ (779,321)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	253,855	322,377	28,010	604,242
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	-	11,637	(10,990)	647
(Increase) decrease in due from other governments	366,582	-	-	366,582
(Increase) decrease in deferred outflow of resources - pensions	(67,432)	(71,269)	(199,449)	(338,150)
(Increase) decrease in deferred outflows of resources - OPEB	(11,750)	(10,043)	(36,134)	(57,927)
Increase (decrease) in net pension liability	79,505	84,097	240,259	403,861
Increase (decrease) in deferred inflows of resources - pensions	94,232	(4,158)	(11,565)	78,509
Increase (decrease) in deferred inflows of resources - OPEB	110,774	117,698	327,288	555,760
Increase (decrease) in accounts payable	50,326	2,678,691	10,116	2,739,133
Increase (decrease) in compensated absences payable	(10,395)	-	(9,347)	(19,742)
Increase (decrease) in OPEB liability	(80,948)	(86,007)	(239,165)	(406,120)
Net cash provided (used) by operating activities	<u>\$ (1,940,973)</u>	<u>\$ 4,568,764</u>	<u>\$ 519,683</u>	<u>\$ 3,147,474</u>
Noncash Investing, Capital, and Financing Activities:				
Amortization of loss on refunding	\$ -	\$ 23,542	\$ -	\$ 23,542
Capital contribution	-	923,433	-	923,433
Total noncash investing, capital, and financing activities	<u>\$ -</u>	<u>\$ 946,975</u>	<u>\$ -</u>	<u>\$ 946,975</u>

CITY OF GREENVILLE, NORTH CAROLINA

Schedule F-8

PUBLIC TRANSPORTATION – NONMAJOR ENTERPRISE FUNDS

SCHEDULE OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)

YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2018

	2019		Variance Positive/ Negative	2018
	Budget	Actual		Actual
Revenues:				
Charges for services	\$ 379,035	\$ 244,155	\$ (134,880)	\$ 251,217
Public transportation planning, operating, and capital grants	2,129,305	3,149,231	1,019,926	1,103,161
Other operating revenues	-	48,985	48,985	-
Total operating revenues	<u>2,508,340</u>	<u>3,442,371</u>	<u>934,031</u>	<u>1,354,378</u>
Expenditures:				
Administrative and general	298,955	220,588	78,367	104,607
Operations and maintenance	951,600	742,150	209,450	555,785
Salaries and benefits	1,517,142	1,362,800	154,342	1,445,507
Capital outlay	2,444,405	2,284,950	159,455	371,716
Total operating expenditures	<u>5,212,102</u>	<u>4,610,488</u>	<u>601,614</u>	<u>2,477,615</u>
Revenues over (under) expenditures	<u>(2,703,762)</u>	<u>(1,168,117)</u>	<u>1,535,645</u>	<u>(1,123,237)</u>
Other Financing Sources (Uses):				
Appropriated fund balance	1,931,868	-	(1,931,868)	-
Transfers from General Fund	771,894	771,894	-	702,471
Total other financing sources (uses)	<u>2,703,762</u>	<u>771,894</u>	<u>(1,931,868)</u>	<u>702,471</u>
Revenues and other financing sources (uses) over (under) expenditures and other financing uses	<u>\$ -</u>	<u>(396,223)</u>	<u>\$ (396,223)</u>	<u>(420,766)</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:				
Depreciation		(253,855)		(196,931)
Capital outlay		1,859,320		-
Increase in deferred outflows of resources - pensions		67,432		(78,114)
Increase in deferred outflows of resources - OPEB		11,750		16,092
Decrease (increase) in net pension liability		(77,505)		72,031
Change in net OPEB liability		80,948		(36,280)
(Increase) decrease in deferred inflows of resources - pensions		3,915		4,763
(Increase) decrease in deferred inflows of resources - OPEB		(110,774)		-
Change in accrued compensated absences		10,395		2,922
Change in net position		<u>\$ 1,195,403</u>		<u>\$ (636,283)</u>

CITY OF GREENVILLE, NORTH CAROLINA

STORMWATER UTILITY FUND – NONMAJOR ENTERPRISE FUNDS

SCHEDULE OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)

YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2018

	2019		Variance Positive/ Negative	2018
	Budget	Actual		Actual
Revenues:				
Charges for services	\$ 5,882,000	\$ 6,142,671	\$ 260,671	\$ 6,063,956
Total operating revenues	<u>5,882,000</u>	<u>6,142,671</u>	<u>260,671</u>	<u>6,063,956</u>
Expenditures:				
Operations and maintenance	907,147	602,891	304,256	453,381
Salaries and benefits	1,611,281	1,128,407	482,874	1,224,985
Capital outlay	3,822,958	2,286,337	1,536,621	542,562
Retirement of long-term debt	332,913	375,083	(42,170)	378,930
Interest paid	148,361	58,894	89,467	33,028
Indirect cost reimbursement	435,791	435,791	-	406,056
Total operating expenses	<u>7,258,451</u>	<u>4,887,403</u>	<u>2,371,048</u>	<u>3,038,942</u>
Revenues over expenditures	<u>(1,376,451)</u>	<u>1,255,268</u>	<u>2,631,719</u>	<u>3,025,014</u>
Other Financing Sources (Uses):				
Capital contributions	-	923,433	923,433	568,603
Transfer to other funds	(1,681,857)	(1,296,265)	385,592	(2,423,500)
Appropriated fund balance	<u>3,058,308</u>	<u>-</u>	<u>(3,058,308)</u>	<u>-</u>
Total other financing sources (uses)	<u>1,376,451</u>	<u>(372,832)</u>	<u>(1,749,283)</u>	<u>(1,854,897)</u>
Revenues and other financing sources (uses) over expenditures and other financing uses	<u>\$ -</u>	<u>882,436</u>	<u>\$ 882,436</u>	<u>1,170,117</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:				
Full accrual change in net position--capital projects		1,264,082		1,810,200
Depreciation		(322,377)		(10,895)
Amortization of refunding loss		(23,542)		-
Increase in deferred outflows of resources - pensions		71,269		(94,842)
Increase in deferred outflows of resources - OPEB		10,043		16,092
Decrease (increase) in net pension liability		(84,097)		87,456
Decrease (increase) in net OPEB liability		86,007		(40,603)
(Increase) decrease in deferred inflows of resources - pensions		4,158		8,212
(Increase) decrease in deferred inflows of resources - OPEB		(117,698)		-
Capital outlay		221,374		-
Payment of debt principal		<u>375,083</u>		<u>378,930</u>
Change in net position		<u>\$ 2,366,738</u>		<u>\$ 3,324,667</u>

ENTERPRISE CAPITAL PROJECTS FUND – NONMAJOR ENTERPRISE FUNDS

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Closed Projects	Current Year	Total
Revenues:					
Miscellaneous:					
Other	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000
Interest earnings	-	156	-	-	156
Total revenues	<u>-</u>	<u>156</u>	<u>-</u>	<u>10,000</u>	<u>10,156</u>
Expenditures:					
Current:					
Stormwater:					
Stormwater Drainage Maintenance	199,828	124,611	-	-	124,611
Watershed	7,265,270	3,636,742	-	73,097	3,709,839
Town Creek Culvert	<u>34,292,975</u>	<u>4,347,649</u>	<u>-</u>	<u>12,064,420</u>	<u>16,412,069</u>
Total expenditures	<u>41,758,073</u>	<u>8,109,002</u>	<u>-</u>	<u>12,137,517</u>	<u>20,246,519</u>
Revenues under expenditures	<u>(41,758,073)</u>	<u>(8,108,846)</u>	<u>-</u>	<u>(12,127,517)</u>	<u>(20,236,363)</u>
Other Financing Sources (Uses):					
Capital Contributions	195,490	179,747	-	-	179,747
State revolving loan	30,540,283	1,374,396	-	16,319,234	17,693,630
Transfer from other funds	12,103,472	8,054,515	-	1,296,265	9,350,780
Transfer to other funds	<u>(1,081,172)</u>	<u>(1,081,172)</u>	<u>-</u>	<u>-</u>	<u>(1,081,172)</u>
Total other financing sources	<u>41,758,073</u>	<u>8,527,486</u>	<u>-</u>	<u>17,615,499</u>	<u>26,142,985</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 418,640</u>	<u>\$ -</u>	<u>5,487,982</u>	<u>\$ 5,906,622</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:					
debt proceeds				<u>(16,319,234)</u>	
Capital outlay				<u>12,095,334</u>	
Change in net position				<u>\$ 1,264,082</u>	

CITY OF GREENVILLE, NORTH CAROLINA

Schedule F-11

SANITATION FUND – NONMAJOR ENTERPRISE FUNDS

SCHEDULE OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)

YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2018

	2019		Variance Positive/ Negative	2018
	Budget	Actual		Actual
Operating Revenues:				
Charges for services	\$ 7,647,596	\$ 7,682,242	\$ 34,646	\$ 7,467,153
Investment earnings		-	-	7
Other revenue	195,500	108,032	(87,468)	86,360
Total operating revenues	<u>7,843,096</u>	<u>7,790,274</u>	<u>(52,822)</u>	<u>7,553,520</u>
Operating Expenditures:				
Operations and maintenance	3,673,967	3,181,076	492,891	2,891,677
Salaries and benefits	2,833,368	3,173,979	(340,611)	2,894,939
Capital outlay	150,000	28,236	121,764	168,337
Principal retirement		157,142	(157,142)	157,142
Interest paid	-	15,951	(15,951)	17,917
Indirect cost reimbursement	914,662	914,662	-	916,663
Total operating expenditures	<u>7,571,997</u>	<u>7,471,046</u>	<u>100,951</u>	<u>7,046,675</u>
Revenues over expenditures	<u>271,099</u>	<u>319,228</u>	<u>48,129</u>	<u>506,845</u>
Other Financing Sources (Uses):				
Appropriated fund balance	98,660	-	(98,660)	-
Transfers to other funds	(369,759)	(250,000)	119,759	(306,290)
Total other financing sources (uses)	<u>(271,099)</u>	<u>(250,000)</u>	<u>21,099</u>	<u>(306,290)</u>
Revenues and other financing sources (uses) over expenditures and other financing uses	<u>\$ -</u>	<u>69,228</u>	<u>\$ 69,228</u>	<u>200,555</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:				
Depreciation		(28,010)		(16,223)
Capital outlay		28,236		168,337
Decrease/(increase) in deferred outflows of resources - pensions		199,449		(223,901)
(Decrease)/increase in deferred outflows of resources - OPEB		36,134		46,126
Decrease in net pension liability		(240,259)		206,464
Increase in net OPEB liability		239,165		(103,989)
Decrease/(increase) in deferred inflows of resources - pensions		11,565		19,385
Decrease/(increase) in deferred inflows of resources - OPEB		(327,288)		-
Payment of debt principal		157,142		157,142
Change in accrued compensated absences		9,347		(14,828)
Change in net position		<u>\$ 154,709</u>		<u>\$ 439,068</u>



Internal Service Fund Statements

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2019



CITY OF GREENVILLE, NORTH CAROLINA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF FUND NET POSITION

Schedule G-1

JUNE 30, 2019

	Vehicle Replacement Fund	Health Insurance Fund	Fleet Maintenance Fund	Facilities Improvement Fund	Total
Assets:					
Current Assets:					
Cash, cash equivalents, and investments	\$ 1,334,466	\$ 4,882,712	\$ -	\$ 2,029,778	\$ 8,246,956
Accounts receivable	-	33,040	4,645	-	37,685
Due from other funds	-	53,743	-	-	53,743
Prepaid items	-	-	214,132	-	214,132
Due from other governments and investments	-	-	1,000	-	1,000
	-	3,234,189	-	-	3,234,189
Total current assets	<u>1,334,466</u>	<u>8,203,684</u>	<u>219,777</u>	<u>2,029,778</u>	<u>11,787,705</u>
Noncurrent Assets:					
Construction in process	2,591,340	-	-	-	2,591,340
Other capital assets, net	13,488,164	73,817	-	778,806	14,340,787
Total noncurrent assets	<u>16,079,504</u>	<u>73,817</u>	<u>-</u>	<u>778,806</u>	<u>16,932,127</u>
Total assets	<u>17,413,970</u>	<u>8,277,501</u>	<u>219,777</u>	<u>2,808,584</u>	<u>28,719,832</u>
Deferred outflows of resources - pensions	-	-	305,298	-	305,298
Deferred outflows of resources - OPEB	-	-	45,401	-	45,401
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>350,699</u>	<u>-</u>	<u>350,699</u>
Liabilities:					
Current Liabilities:					
Accounts payable	293,143	1,859,937	178,841	161,371	2,493,292
Due to other funds	947	-	1,074,598	-	1,075,545
Total current liabilities	<u>294,090</u>	<u>1,859,937</u>	<u>1,253,439</u>	<u>161,371</u>	<u>3,568,837</u>
Noncurrent Liabilities:					
Net OPEB Liability	-	-	1,311,838	-	1,311,838
Net Pension Liability	-	-	394,756	-	394,756
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>1,706,594</u>	<u>-</u>	<u>1,706,594</u>
Total liabilities	<u>294,090</u>	<u>1,859,937</u>	<u>2,960,033</u>	<u>161,371</u>	<u>5,275,431</u>
Deferred inflows of resources - pensions	-	-	18,877	-	18,877
Deferred inflows of resources - OPEB	-	-	180,638	-	180,638
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>199,515</u>	<u>-</u>	<u>199,515</u>
Net Position:					
Net investment in capital assets	16,079,504	73,817	-	778,806	16,932,127
Unrestricted	1,040,376	6,343,747	(2,589,072)	1,868,407	6,663,458
Total net position	<u>\$ 17,119,880</u>	<u>\$ 6,417,564</u>	<u>\$ (2,589,072)</u>	<u>\$ 2,647,213</u>	<u>\$ 23,595,585</u>

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

YEAR ENDED JUNE 30, 2019

	Vehicle Replacement Fund	Health Insurance Fund	Fleet Maintenance Fund	Facilities Improvement Fund	Total
Operating Revenues:					
Charges for services	\$ 3,791,258	\$ 12,594,190	\$ 4,999,831	\$ -	\$ 21,385,279
Other operating revenues	208,663	6,793	-	10,426	225,882
Total operating revenues	<u>3,999,921</u>	<u>12,600,983</u>	<u>4,999,831</u>	<u>10,426</u>	<u>21,611,161</u>
Operating Expenses:					
Administration	-	1,180,601	-	-	1,180,601
Operations and maintenance	109,146	-	3,330,356	1,611,476	5,050,978
Salaries and benefits	-	-	1,724,939	-	1,724,939
Depreciation	2,754,872	3,433	-	74,252	2,832,557
Claims and payments to third party administrators	-	10,117,084	-	-	10,117,084
Total operating expenses	<u>2,864,018</u>	<u>11,301,118</u>	<u>5,055,295</u>	<u>1,685,728</u>	<u>20,906,159</u>
Operating income (loss) before contributions and transfers	<u>1,135,903</u>	<u>1,299,865</u>	<u>(55,464)</u>	<u>(1,675,302)</u>	<u>705,002</u>
Transfers In and Capital Contributions:					
Transfers from other funds	250,000	-	-	1,491,000	1,741,000
Total transfers in and capital contributions	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>1,491,000</u>	<u>1,741,000</u>
Change in net position	1,385,903	1,299,865	(55,464)	(184,302)	2,446,002
Net Position:					
Net position, beginning of year – July 1	<u>15,733,977</u>	<u>5,117,699</u>	<u>(2,533,608)</u>	<u>2,831,515</u>	<u>21,149,583</u>
Net position, end of year – June 30	<u>\$ 17,119,880</u>	<u>\$ 6,417,564</u>	<u>\$ (2,589,072)</u>	<u>\$ 2,647,213</u>	<u>\$ 23,595,585</u>

CITY OF GREENVILLE, NORTH CAROLINA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS

Schedule G-3

YEAR ENDED JUNE 30, 2019

	<u>Vehicle Replacement Fund</u>	<u>Health Insurance Fund</u>	<u>Fleet Maintenance Fund</u>	<u>Facilities Improvement Fund</u>	<u>Total</u>
Cash Flows from Operating Activities:					
Cash received from customers	\$ 3,841,451	\$ 12,655,495	\$ 4,994,777	\$ 10,426	\$ 21,502,149
Cash paid to vendors	-	(11,450,205)	(3,317,894)	(1,452,237)	(16,220,336)
Cash paid to employees	-	-	(1,683,073)	-	(1,683,073)
Net cash provided (used) by operating activities	<u>3,841,451</u>	<u>1,205,290</u>	<u>(6,190)</u>	<u>(1,441,811)</u>	<u>3,598,740</u>
Cash Flows from Noncapital Financing Activities:					
Transfers from other funds	250,000	-	-	1,491,000	1,741,000
Repayments to (from) other funds	<u>947</u>	<u>5,053</u>	<u>6,190</u>	<u>-</u>	<u>12,190</u>
Net cash provided (used) by noncapital financing activities	<u>250,947</u>	<u>5,053</u>	<u>6,190</u>	<u>1,491,000</u>	<u>1,753,190</u>
Cash Flows from Capital and Related Financing Activities:					
Acquisition and construction of capital assets	<u>(7,150,056)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,150,056)</u>
Net cash used by capital and related financing activities	<u>(7,150,056)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,150,056)</u>
Net increase in cash and cash equivalents	(3,057,658)	1,210,343	-	49,189	(1,798,126)
Cash and Cash Equivalents					
Beginning of year – July 1	<u>4,392,124</u>	<u>6,906,558</u>	<u>-</u>	<u>1,980,589</u>	<u>13,279,271</u>
End of year – June 30	<u>\$ 1,334,466</u>	<u>\$ 8,116,901</u>	<u>\$ -</u>	<u>\$ 2,029,778</u>	<u>\$ 11,481,145</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating income (loss)	\$ 1,135,903	\$ 1,299,865	\$ (55,464)	\$ (1,675,302)	\$ 705,002
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	2,754,872	3,433	-	74,252	2,832,557
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	-	54,512	(5,054)	-	49,458
Change in deferred outflow of resources - pensions	-	-	(110,101)	-	(110,101)
Change in deferred outflow of resources - OPEB	-	-	(20,074)	-	(20,074)
Change in net pension liability	-	-	129,787	-	129,787
Change in net OPEB liability	-	-	(132,001)	-	(132,001)
Change in deferred inflows of resources - pensions	-	-	(6,383)	-	(6,383)
Change in deferred inflows of resources - OPEB	-	-	180,638	-	180,638
Change in accounts payable	<u>(49,324)</u>	<u>(152,520)</u>	<u>12,462</u>	<u>159,239</u>	<u>(30,143)</u>
Net cash provided (used) by operating activities	<u>\$ 3,841,451</u>	<u>\$ 1,205,290</u>	<u>\$ (6,190)</u>	<u>\$ (1,441,811)</u>	<u>\$ 3,598,740</u>

VEHICLE REPLACEMENT – INTERNAL SERVICE FUNDS

SCHEDULE OF REVENUES AND EXPENDITURES – FINANCIAL PLAN AND ACTUAL (NON-GAAP)

YEAR ENDED JUNE 30, 2019

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Positive/ Negative</u>
Operating Revenues:			
Charges for services	\$ 3,803,701	\$ 3,791,258	\$ (12,443)
Other operating revenues	<u>278,460</u>	<u>208,663</u>	<u>(69,797)</u>
Total operating revenues	<u>4,082,161</u>	<u>3,999,921</u>	<u>(82,240)</u>
Operating Expenditures:			
Capital outlay	<u>7,445,733</u>	<u>7,259,202</u>	<u>186,531</u>
Total operating expenditures			
Revenues over (under) expenditures	<u>(3,363,572)</u>	<u>(3,259,281)</u>	<u>104,291</u>
Other Financing Sources (Uses):			
Fund balance appropriated	3,113,572	-	(3,113,572)
Transfers from other funds	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Total other financing sources (uses)	<u>3,363,572</u>	<u>250,000</u>	<u>(3,113,572)</u>
Revenues and other financing sources (uses) under expenditures and other financing uses	<u>\$ -</u>	<u>(3,009,281)</u>	<u>\$ (3,009,281)</u>
Reconciliation from Financial Plan Basis (Modified Accrual) to Full Accrual:			
Depreciation		(2,754,871)	
Capital outlay		<u>7,150,055</u>	
Change in net position		<u>\$ 1,385,903</u>	

CITY OF GREENVILLE, NORTH CAROLINA

HEALTH INSURANCE – INTERNAL SERVICE FUNDS

SCHEDULE OF REVENUES AND EXPENDITURES – FINANCIAL PLAN AND ACTUAL (NON-GAAP)

YEAR ENDED JUNE 30, 2019

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Positive/ Negative</u>
Operating Revenues:			
Charges for services	\$ 13,336,901	\$ 12,594,190	\$ (742,711)
Other operating revenues	<u>-</u>	<u>6,793</u>	<u>6,793</u>
Total operating revenues	<u>13,336,901</u>	<u>12,600,983</u>	<u>(735,918)</u>
Operating Expenditures:			
Administration	764,555	1,180,601	(416,046)
Payment to third party administrator	<u>12,798,045</u>	<u>10,117,084</u>	<u>2,680,961</u>
Total operating expenditures	<u>13,562,600</u>	<u>11,297,685</u>	<u>2,264,915</u>
Revenues over (under) expenditures	<u>(225,699)</u>	<u>1,303,298</u>	<u>1,528,997</u>
Other Financing Sources (Uses):			
Appropriated fund balance	<u>225,699</u>	<u>-</u>	<u>(225,699)</u>
Total other financing sources (uses)	<u>225,699</u>	<u>-</u>	<u>(225,699)</u>
Revenues and other financing sources (uses) under expenditures and other financing uses	<u>\$ -</u>	<u>1,303,298</u>	<u>\$ 1,303,298</u>
Reconciliation from Financial Plan Basis (Modified Accrual) to Full Accrual:			
Depreciation		<u>(3,433)</u>	
Change in net position		<u>\$ 1,299,865</u>	

CITY OF GREENVILLE, NORTH CAROLINA

Schedule G-6

FLEET MAINTENANCE – INTERNAL SERVICE FUNDS

SCHEDULE OF REVENUES AND EXPENDITURES – FINANCIAL PLAN AND ACTUAL (NON-GAAP)

YEAR ENDED JUNE 30, 2019

	Financial Plan	Actual	Variance Positive/ Negative
Operating Revenues:			
Charges for services	\$ 4,431,156	\$ 4,999,831	\$ 568,675
Total operating revenues	<u>4,431,156</u>	<u>4,999,831</u>	<u>568,675</u>
Operating Expenditures:			
Salaries and benefits	1,504,691	1,683,073	(178,382)
Operating and maintenance	2,915,473	3,305,939	(390,466)
Capital outlay	31,008	24,417	6,591
Total operating expenditures	<u>4,451,172</u>	<u>5,013,429</u>	<u>(562,257)</u>
Revenues over (under) expenditures	<u>(20,016)</u>	<u>(13,598)</u>	<u>6,418</u>
Other Financing Sources (Uses):			
Appropriated fund balance	20,016	-	(20,016)
Total other financing sources (uses)	<u>20,016</u>	<u>-</u>	<u>(20,016)</u>
Revenues and other financing sources (uses) over expenditures and other financing uses	<u>\$ -</u>	<u>(13,598)</u>	<u>\$ (13,598)</u>
Reconciliation from Financial Plan Basis (Modified Accrual) to Full Accrual:			
Increase in deferred outflows of resources - pensions		110,101	
Increase in deferred outflows of resources - OPEB		20,074	
Increase in net pension liability		(129,787)	
Increase in net OPEB liability		132,001	
Decrease in deferred inflows of resources - pensions		6,383	
Decrease in deferred inflows of resources - OPEB		<u>(180,638)</u>	
Change in net position		<u>\$ (55,464)</u>	

CITY OF GREENVILLE, NORTH CAROLINA

Schedule G-7

FACILITIES IMPROVEMENT – INTERNAL SERVICE FUNDS

SCHEDULE OF REVENUES AND EXPENDITURES – FINANCIAL PLAN AND ACTUAL (NON-GAAP)

YEAR ENDED JUNE 30, 2019

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Positive/ Negative</u>
Operating Revenues:			
Other operating revenues	\$ -	\$ 10,426	\$ 10,426
Total operating revenues	<u>-</u>	<u>10,426</u>	<u>10,426</u>
Operating Expenditures:			
Capital outlay	4,098,851	1,611,476	2,487,375
Total operating expenditures	<u>4,098,851</u>	<u>1,611,476</u>	<u>2,487,375</u>
Revenues over (under) expenditures	<u>(4,098,851)</u>	<u>(1,601,050)</u>	<u>2,497,801</u>
Other Financing Sources (Uses):			
Appropriated fund balance	2,607,851	-	(2,607,851)
Transfers from other funds	1,491,000	1,491,000	-
Total other financing sources (uses)	<u>4,098,851</u>	<u>1,491,000</u>	<u>(2,607,851)</u>
Revenues and other financing sources (uses) under expenditures and other financing uses	<u>\$ -</u>	<u>(110,050)</u>	<u>\$ (110,050)</u>
Reconciliation from Financial Plan Basis (Modified Accrual) to Full Accrual:			
Depreciation		<u>(74,252)</u>	
Change in net position		<u>\$ (184,302)</u>	

CITY OF GREENVILLE, NORTH CAROLINA
RED LIGHT CAMERA – AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

Schedule H-1

YEAR ENDED JUNE 30, 2019

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
Assets:				
Cash and cash equivalents	\$ -	\$ 1,818,263	\$ (1,660,927)	\$ 157,336
Liabilities:				
Accounts payable	\$ -	\$ 1,818,263	\$ (1,660,927)	\$ 157,336



Statistical Section

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2019



Statistical Section

This section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information, and supplementary information says about the City's overall financial health.

Financial Trends Information - These schedules contain trend information intended to help the reader understand how the City's financial position has changed over time.

Revenue Capacity Information - These schedules contain information intended to help the reader assess the City's most significant revenue sources, tax collections, and Greenville Utilities Commission's revenue base.

Debt Capacity Information - These schedules present information intended to assist users in understanding and assessing the City's current levels of outstanding debt and the ability to issue additional debt.

Demographic and Economic Information - These schedules provide demographic and economic indicators intended to help the reader understand the socio-economic environment within which the City's financial activities take place.

Operating Information - These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Notes at the bottom of charts and tables will indicate when the data amounts provided are in thousands. In some cases, notes will also indicate whether the data is based on the Accrual or Modified Accrual basis of accounting.

CITY OF GREENVILLE, NORTH CAROLINA
NET POSITION BY COMPONENT

Table 1

LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities										
Net investment in capital assets	\$ 119,789	\$ 132,450	\$ 136,640	\$ 140,382	\$ 144,769	\$ 154,684	\$ 157,082	\$ 160,375	\$ 159,151	\$ 171,216
Restricted	2,927	-	-	-	-	-	-	-	-	-
Stabilization of State Statute	-	7,331	8,998	7,590	8,228	13,594	8,322	6,516	7,714	14,885
Restricted for Streets	-	-	-	2,629	2,296	2,236	1,717	1,179	1,001	702
General Government	-	-	-	-	84	76	105	109	684	108
Economic Development	-	-	-	-	-	56	4,177	2,611	390	1,124
Transportation	-	2,540	1,838	-	-	-	-	-	-	-
Public Safety	-	-	-	560	706	821	858	872	374	149
Cultural and Recreational	-	-	-	101	102	102	117	66	-	-
Debt Service	-	-	-	-	-	-	-	-	771	1,303
Insurance	-	-	-	-	-	-	-	-	6,907	3,234
Other	-	819	6,175	-	-	-	-	669	-	-
Unrestricted	30,243	24,196	18,142	36,640	36,849	23,638	29,243	23,715	(3,244)	(5,769)
Total Governmental activities net position	\$ 152,959	\$ 167,336	\$ 171,793	\$ 187,902	\$ 193,034	\$ 195,207	\$ 201,621	\$ 196,112	\$ 173,748	\$ 186,952
Business-type activities										
Net investment in capital assets	\$ 241,246	\$ 239,156	\$ 242,482	\$ 251,120	\$ 258,006	\$ 277,248	\$ 272,073	\$ 274,323	\$ 287,024	\$ 290,552
Unrestricted	68,260	79,687	81,410	81,243	80,345	70,155	105,097	118,131	101,309	120,857
Total business-type activities net assets	\$ 309,506	\$ 318,843	\$ 323,892	\$ 332,363	\$ 338,351	\$ 347,403	\$ 377,170	\$ 392,454	\$ 388,333	\$ 411,409
Primary government										
Net investment in capital assets	\$ 361,035	\$ 371,606	\$ 379,122	\$ 391,502	\$ 402,775	\$ 431,932	\$ 429,155	\$ 434,698	\$ 446,175	\$ 461,768
Restricted	2,927	-	-	-	-	-	-	-	-	-
Stabilization of State Statute	-	7,331	8,998	7,590	8,228	13,594	8,322	6,516	7,714	14,885
Restricted for Streets	-	-	-	2,629	2,296	2,236	1,717	1,179	1,001	702
General Government	-	-	-	-	84	76	105	109	684	108
Economic Development	-	-	-	-	-	56	4,177	2,611	390	1,124
Transportation	-	2,540	1,838	-	-	-	-	-	-	-
Public Safety	-	-	-	560	706	821	858	872	374	149
Cultural and Recreational	-	-	-	101	102	102	117	66	-	-
Debt	-	-	-	-	-	-	-	-	771	1,303
Insurance	-	-	-	-	-	-	-	-	6,907	3,234
Other	-	819	6,175	-	-	-	-	669	-	-
Unrestricted	98,503	103,883	99,552	117,883	117,194	93,793	134,340	141,846	98,065	115,088
Total primary government net position	\$ 462,465	\$ 486,179	\$ 495,685	\$ 520,265	\$ 531,385	\$ 542,610	\$ 578,791	\$ 588,566	\$ 562,081	\$ 598,361

Note 1: Amounts are based on the Accrual Basis of Accounting.

Note 2: Amounts are expressed in thousands.

Note 3: Terminology changed from "Net Assets" to Net Position effective fiscal year 2013.

CITY OF GREENVILLE, NORTH CAROLINA
CHANGES IN NET POSITION

Table 2

LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental activities:										
General government	\$ 10,721	\$ 10,172	\$ 10,480	\$ 21,603	\$ 19,960	\$ 25,011	\$ 28,647	\$ 34,019	\$ 28,170	\$ 29,324
Public safety	37,866	36,159	39,385	29,712	28,939	26,262	26,907	27,583	28,561	27,551
Transportation	11,994	9,344	10,326	7,593	7,462	5,939	7,172	6,514	8,013	10,309
Environmental protection	-	-	-	-	-	-	-	3,534	1,454	1,229
Economic and physical development	5,199	4,625	6,065	14,501	13,497	10,781	11,081	12,655	11,427	10,374
Culture and recreation	11,192	11,398	11,503	3,688	3,204	5,765	4,589	4,802	9,296	9,393
Interest on long-term debt	1,842	1,602	1,657	826	894	1,034	949	1,307	1,158	1,113
Total governmental activities	78,814	73,300	79,416	77,923	73,956	74,792	79,345	90,414	88,079	89,293
Business-type activities:										
Electric	188,681	195,510	191,269	192,058	195,184	189,010	157,839	167,127	164,003	168,797
Water	14,778	15,044	16,403	15,857	16,237	16,201	16,281	17,138	17,586	19,298
Sewer	14,776	15,673	16,208	16,837	17,333	17,667	18,261	19,761	20,649	21,503
Gas	31,749	31,972	24,947	26,189	32,519	31,718	25,519	27,803	34,791	32,532
Public Transportation	1,703	1,837	2,178	2,499	2,459	3,406	2,130	2,377	2,693	3,019
Bradford Creek	906	914	930	-	-	-	-	-	-	-
Stormwater Utility	2,638	2,899	3,119	2,904	2,945	5,837	2,526	2,465	3,210	4,709
Sanitation	5,495	5,961	6,643	6,792	7,358	6,941	6,115	6,697	6,808	7,386
Total business-type activities	260,726	269,810	261,697	263,136	274,035	270,780	228,671	243,368	249,740	257,244
Total expenses	\$ 339,540	\$ 343,110	\$ 341,113	\$ 341,059	\$ 347,991	\$ 345,572	\$ 308,016	\$ 333,782	\$ 337,819	\$ 346,537
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 447	\$ 886	\$ 3,140	\$ 4,052	\$ 4,829	\$ 3,360	\$ 3,959	\$ 7,201	\$ 4,223	\$ 5,474
Public safety	5,060	4,564	5,545	4,360	4,149	5,542	4,686	4,231	6,349	5,045
Transportation	264	309	247	190	180	293	195	203	36	136
Environmental protection	-	-	-	-	-	-	-	-	-	-
Economic and physical development	170	738	-	19	19	19	19	19	19	-
Culture and recreation	1,324	1,247	1,354	1,120	1,088	1,093	1,939	1,953	1,248	1,070
Operating grants and contributions	7,491	9,502	9,820	4,523	3,540	3,211	2,505	3,675	3,351	3,017
Capital grants and contributions	13,735	10,258	4,091	3,975	3,214	2,788	6,916	5,912	10,969	8,775
Total governmental activities program revenues	28,491	27,504	24,197	18,239	17,019	16,306	20,219	23,194	26,195	23,517

CITY OF GREENVILLE, NORTH CAROLINA
CHANGES IN NET POSITION (CONTINUED)

Table 2

LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Business-type activities:										
Charges for services:										
Electric	\$ 194,531	\$ 203,686	\$ 196,531	\$ 197,680	\$ 202,308	\$ 199,711	\$ 181,932	\$ 178,171	\$ 178,284	\$ 179,230
Water	13,829	15,289	16,462	16,321	16,526	17,465	18,587	20,009	20,647	22,203
Sewer	14,905	17,041	17,971	18,257	18,218	19,566	21,577	23,268	23,778	25,187
Gas	37,962	37,738	30,440	31,820	35,481	36,688	27,684	28,787	36,535	36,202
Public Transportation	235	274	314	359	330	402	284	243	251	293
Aquatics and Fitness	-	-	-	-	-	-	-	-	-	-
Bradford Creek	753	750	860	-	-	-	-	-	-	-
Stormwater Utility	3,207	3,066	2,962	3,117	3,670	4,354	4,905	5,537	6,064	6,153
Sanitation	5,914	5,431	5,408	6,630	6,814	7,204	7,460	7,256	7,554	7,790
Operating grants and contributions	807	830	1,009	-	901	804	-	1,463	1,103	3,149
Capital grants and contributions	3,501	1,062	5	2,103	1,162	3,105	2,121	278	1,783	2,751
Total business-type activities program revenues	<u>275,644</u>	<u>285,167</u>	<u>271,962</u>	<u>276,287</u>	<u>285,410</u>	<u>289,299</u>	<u>264,550</u>	<u>265,012</u>	<u>275,999</u>	<u>282,958</u>
Total program revenues	<u>\$ 304,135</u>	<u>\$ 312,671</u>	<u>\$ 296,159</u>	<u>\$ 294,526</u>	<u>\$ 302,429</u>	<u>\$ 305,605</u>	<u>\$ 284,769</u>	<u>\$ 288,206</u>	<u>\$ 302,194</u>	<u>\$ 306,475</u>
Net (Expense) Revenue										
Governmental activities	\$ (50,323)	\$ (45,796)	\$ (55,219)	\$ (59,684)	\$ (56,937)	\$ (58,486)	\$ (59,126)	\$ (67,220)	\$ (61,883)	\$ (65,776)
Business-type activities	14,918	15,357	10,265	13,151	11,375	18,519	35,879	21,644	26,259	25,714
Total primary governmental net expense	<u>\$ (35,405)</u>	<u>\$ (30,439)</u>	<u>\$ (44,954)</u>	<u>\$ (46,533)</u>	<u>\$ (45,562)</u>	<u>\$ (39,967)</u>	<u>\$ (23,247)</u>	<u>\$ (45,576)</u>	<u>\$ (35,624)</u>	<u>\$ (40,062)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 30,517	\$ 30,891	\$ 31,487	\$ 30,446	\$ 31,915	\$ 32,502	\$ 33,000	\$ 33,187	\$ 34,200	\$ 34,884
Other Taxes, grants and contributions	20,852	21,722	22,161	22,397	22,522	25,292	26,655	27,873	28,600	30,473
Investment earnings	1,486	919	969	69	2,038	2,064	700	954	698	7,427
Miscellaneous	469	-	(496)	-	-	-	-	-	-	-
Transfers	4,872	6,662	5,554	4,908	5,597	5,804	6,704	6,885	6,302	6,196
Total General revenues	<u>58,196</u>	<u>60,194</u>	<u>59,675</u>	<u>57,820</u>	<u>62,072</u>	<u>65,662</u>	<u>67,059</u>	<u>68,899</u>	<u>69,800</u>	<u>78,980</u>
Business-type activities:										
Investment earnings	813	641	337	227	209	284	330	528	1,159	3,559
Transfers	(4,872)	(6,662)	(5,554)	(4,908)	(5,597)	(5,804)	(6,704)	(6,888)	(6,302)	(6,196)
Total business-type activities	<u>(4,059)</u>	<u>(6,021)</u>	<u>(5,217)</u>	<u>(4,681)</u>	<u>(5,388)</u>	<u>(5,520)</u>	<u>(6,374)</u>	<u>(6,360)</u>	<u>(5,143)</u>	<u>(2,637)</u>
Total primary government	<u>\$ 54,137</u>	<u>\$ 54,173</u>	<u>\$ 54,458</u>	<u>\$ 53,139</u>	<u>\$ 56,684</u>	<u>\$ 60,142</u>	<u>\$ 60,685</u>	<u>\$ 62,539</u>	<u>\$ 64,657</u>	<u>\$ 76,343</u>
Change in Net Position										
Governmental activities	\$ 7,873	\$ 14,398	\$ 4,456	\$ (1,864)	\$ 5,135	\$ 7,176	\$ 7,933	\$ 1,679	\$ 7,917	\$ 13,204
Business-type activities	10,859	9,336	5,048	8,470	5,987	12,999	29,505	15,284	21,116	23,077
Total primary government	<u>\$ 18,732</u>	<u>\$ 23,734</u>	<u>\$ 9,504</u>	<u>\$ 6,606</u>	<u>\$ 11,122</u>	<u>\$ 20,175</u>	<u>\$ 37,438</u>	<u>\$ 16,963</u>	<u>\$ 29,033</u>	<u>\$ 36,281</u>

Note 1: Amounts are based on Accrual Basis of Accounting.

Note 2: Amounts are expressed in thousands.

CITY OF GREENVILLE, NORTH CAROLINA
FUND BALANCES OF GOVERNMENTAL FUNDS

Table 3

LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Reserved	\$ 10,404	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	17,203	-	-	-	-	-	-	-	-	-
Nonspendable	-	161	151	75	215	116	54	69	102	68
Restricted	-	10,690	11,582	10,267	10,848	16,169	10,171	7,688	7,318	9,313
Committed	-	2,831	3,059	2,277	2,277	2,277	2,277	2,328	2,051	2,196
Assigned	-	2,091	2,490	7,047	1,964	1,592	1,796	1,178	1,380	650
Unassigned	-	13,381	14,683	11,401	16,108	12,426	18,144	20,158	12,048	11,726
Total General Fund	\$ 27,607	\$ 29,154	\$ 31,965	\$ 31,067	\$ 31,412	\$ 32,580	\$ 32,442	\$ 31,421	\$ 22,899	\$ 23,953
All other governmental funds										
Reserved	\$ 709	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Subsequent Year's	108	-	-	-	-	-	-	-	-	-
Special revenue funds	3,987	-	-	-	-	-	-	-	-	-
Debt Service Funds	892	-	-	-	-	-	-	-	-	-
Capital Project Funds	9,993	-	-	-	-	-	-	-	-	-
Nonspendable	-	53	44	49	53	919	381	791	800	377
Restricted	-	8,384	5,429	2,160	5,767	8,257	5,235	4,334	8,033	12,456
Committed	-	7,477	5,996	7,747	6,846	6,045	5,172	11,019	12,105	8,206
Assigned	-	-	-	544	522	570	619	520	825	808
Unassigned	-	(1,970)	(1,327)	(1,181)	(489)	(5,097)	(531)	(334)	(685)	(5,327)
Total all other governmental funds	\$ 15,689	\$ 13,944	\$ 10,142	\$ 9,319	\$ 12,699	\$ 10,694	\$ 10,876	\$ 16,330	\$ 21,078	\$ 16,520
Total governmental funds	\$ 43,296	\$ 43,098	\$ 42,107	\$ 40,386	\$ 44,111	\$ 43,274	\$ 43,318	\$ 47,751	\$ 43,977	\$ 40,473

Note 1: The City made the option to adopt GASB 54 fund balance presentation prospectively.

Note 2: Amounts are based on the Modified Accrual Basis of Accounting.

Note 3: Amounts are expressed in thousands.

CITY OF GREENVILLE, NORTH CAROLINA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Table 4

LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Ad Valorem Taxes	\$ 30,581	\$ 30,749	\$ 31,567	\$ 30,276	\$ 32,256	\$ 32,956	\$ 32,776	\$ 33,385	\$ 34,374	\$ 34,740
Other Taxes	14,715	15,130	16,614	16,519	16,672	18,543	19,271	20,645	21,301	23,064
Unrestricted Intergovernmental	5,573	5,965	5,858	5,877	5,847	6,750	7,386	7,231	7,299	7,409
Restricted Intergovernmental	7,522	11,048	12,166	7,978	6,424	5,720	8,021	9,252	11,435	7,139
Licenses, Permits and fees	2,358	2,365	2,632	2,457	2,289	3,818	2,353	2,929	3,593	2,973
Sales and Services	4,947	5,290	5,117	5,484	5,180	5,766	5,083	4,844	5,576	5,718
Investment Earning	1,486	917	970	69	463	370	700	438	424	1,832
Other Revenue	1,137	896	1,360	1,316	1,715	861	1,340	3,182	1,443	1,551
Total revenues	\$ 68,319	\$ 72,360	\$ 76,284	\$ 69,976	\$ 70,846	\$ 74,784	\$ 76,930	\$ 81,906	\$ 85,445	\$ 84,426
Expenditures										
General government	\$ 8,935	\$ 8,727	\$ 9,100	\$ 11,238	\$ 10,331	\$ 10,504	\$ 12,413	\$ 12,135	\$ 12,176	\$ 12,277
Public safety	34,634	35,256	35,100	36,077	36,072	35,521	37,029	39,141	40,633	41,330
Public works	8,884	9,432	9,838	8,361	8,130	7,924	8,581	8,971	10,798	11,752
Environmental Protection	-	-	-	-	-	-	-	3,534	1,454	1,229
Cultural and Recreation	8,235	8,443	8,772	4,121	4,748	5,176	6,018	5,874	11,084	10,509
Economic and physical development	4,328	4,545	4,956	11,630	10,585	19,185	15,964	18,373	12,668	11,867
Capital Outlay	9,631	9,861	10,647	3,786	3,591	2,596	-	-	-	-
Reimbursement of indirect cost	(560)	(373)	(601)	(1,014)	(1,111)	(1,285)	(1,391)	(1,312)	(1,522)	(1,532)
Contribution to OPEB Trust	250	250	250	300	350	400	450	500	500	600
Total expenditures	\$ 79,149	\$ 81,110	\$ 82,793	\$ 89,122	\$ 76,932	\$ 84,821	\$ 83,743	\$ 92,326	\$ 93,452	\$ 93,347
Excess of revenues over (under) expenditures	\$ (10,830)	\$ (8,750)	\$ (6,509)	\$ (19,146)	\$ (6,086)	\$ (10,037)	\$ (6,813)	\$ (10,420)	\$ (8,007)	\$ (8,921)
Other financing sources (uses)										
Transfers from other funds	\$ 12,999	\$ 12,739	\$ 14,207	\$ 12,127	\$ 16,027	\$ 15,880	\$ 16,410	\$ 18,823	\$ 25,750	\$ 17,232
Transfers to other funds	(8,127)	(7,432)	(8,774)	(7,766)	(11,213)	(11,622)	(11,277)	(14,166)	(21,518)	(12,777)
Payments to Escrow Agents	-	-	-	(9,750)	-	-	(6,248)	-	-	-
Sale of Property	-	-	-	-	-	-	-	-	-	-
Payments to Escrow Agents	-	-	(4,208)	-	-	-	-	-	-	-
Premium received on long term debt issues	-	-	-	-	-	-	-	696	-	-
Refunding debt issued	-	-	-	-	-	-	6,185	-	-	-
Long Term debt issued	-	3,244	4,293	22,541	4,997	4,200	2,096	9,500	-	963
Total other financing sources (uses)	\$ 4,872	\$ 8,551	\$ 5,518	\$ 17,152	\$ 9,811	\$ 8,458	\$ 7,166	\$ 14,853	\$ 4,232	\$ 5,418
Net change in fund balances	\$ (5,958)	\$ (199)	\$ (991)	\$ (1,994)	\$ 3,725	\$ (1,579)	\$ 353	\$ 4,433	\$ (3,775)	\$ (3,503)
Debt services as a percentage of noncapital expenditures	7.0%	7.0%	7.0%	17.0%	6.0%	6.0%	6.0%	6.3%	6.6%	6.2%

Note 1: Amounts are based on the Modified Accrual Basis of Accounting.

Note 2: Amounts are expressed in thousands.

CITY OF GREENVILLE, NORTH CAROLINA
GREENVILLE UTILITIES COMMISSION - REVENUE BASE

Table 5

LAST TEN FISCAL YEARS

Fiscal Year	Electric kWh Sold		Water Kgal Sold		Gas ccf Sold	
	Residential	Commercial and Industrial	Residential	Commercial and Industrial	Residential	Commercial and Industrial
2010	701,375,321	948,750,414	2,101,457	1,343,535	9,071,756	22,171,860
2011	735,045,523	976,964,873	2,189,035	1,516,854	9,204,734	23,200,508
2012	659,675,766	973,189,826	2,099,783	1,685,842	6,446,047	21,800,184
2013	695,864,293	960,802,492	2,030,472	1,827,090	8,770,015	22,650,139
2014	714,076,550	970,770,336	2,050,903	1,870,687	9,480,133	23,480,549
2015	719,680,705	990,218,837	2,044,738	1,873,012	9,568,069	23,843,849
2016	678,819,366	1,006,432,962	2,076,000	1,893,595	6,954,321	22,437,501
2017	712,955,477	1,004,017,437	2,045,980	1,973,229	6,941,053	22,957,109
2018	751,195,332	1,013,610,069	2,081,417	2,032,027	9,010,170	25,457,611
2019	752,650,490	1,028,932,168	2,072,563	2,070,312	7,968,341	26,519,776

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Real Property Residential and Commercial Property	Personal Property Motor Vehicle and Other Personal Property	Total Taxable Assessed Value	(2) Total Direct Tax Rate	Estimated Actual Taxable/Market Value	(1) Assessed Value as a Percentage of Market Value
2010	\$ 5,389,644,817	\$ 576,155,778	\$ 5,965,800,595	0.0052	\$ 6,086,930,512	98.01%
2011	5,597,578,846	404,914,485	6,002,493,331	0.0052	6,083,402,585	98.67%
2012	5,494,929,423	618,532,115	6,113,461,538	0.0052	6,157,177,498	99.29%
2013	5,228,378,854	629,311,731	5,857,690,585	0.0052	5,865,902,849	99.86%
2014	5,279,644,967	885,747,885	6,165,392,852	0.0052	6,165,392,852	100.00%
2015	5,389,359,444	731,693,889	6,121,053,333	0.0054	6,121,053,333	100.00%
2016	5,476,922,075	764,354,906	6,241,276,981	0.0053	6,241,276,981	100.00%
2017	5,642,813,653	855,862,885	6,498,676,538	0.0052	6,498,676,538	100.00%
2018	5,715,329,808	869,758,846	6,585,088,654	0.0052	6,585,088,654	100.00%
2019	5,935,362,692	916,888,846	6,852,251,538	0.0052	6,852,251,538	100.00%

(1) Source: Pitt County Tax Assessor's Office
 Public service companies appraised each year included in total values on this schedule.
 Total assessed values are net of abatements.
 (2) Per \$100 value

CITY OF GREENVILLE, NORTH CAROLINA

Table 7

GREENVILLE UTILITIES COMMISSION - DIRECT AND OVERLAPPING REVENUE RATES

LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Electric (per kWh)										
Residential	\$ 0.1280	\$ 0.1290	\$ 0.1310	\$ 0.1299	\$ 0.1310	\$ 0.1309	\$ 0.1249	\$ 0.1010	\$ 0.1195	\$ 0.1182
Commercial & Industrial	0.1031	0.1038	0.1025	0.1027	0.1031	0.1028	0.0945	0.0980	0.0940	0.0959
Water (per kgal)										
Residential	4.3392	4.5887	5.0031	5.0344	5.0703	5.3871	5.6670	5.7550	5.6620	5.9000
Commercial & Industrial	2.7720	2.8823	3.0610	2.8911	2.8810	3.0439	3.1589	3.2300	3.2250	3.5300
Gas (per ccf)										
Residential	1.5896	1.4856	1.5097	1.3558	1.4078	1.4695	1.3853	1.1180	1.4050	1.0717
Commercial & Industrial	1.0519	1.0119	0.9488	0.8636	0.9205	0.9365	0.7745	0.9718	0.9195	1.0281

Source: Greenville Utilities Commission

CITY OF GREENVILLE, NORTH CAROLINA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS

Table 8

LAST TEN FISCAL YEARS

Fiscal Year	City of Greenville		Pitt County		Overlapping	
	Rate Per \$100	Total City Levy	Rate Per \$100	Total County Levy	Rate Per \$100	Total Levy
2010	0.520	\$ 31,039,086	0.665	\$ 75,642,267	1.185	106,681,353
2011	0.520	30,838,534	0.665	76,968,291	1.185	107,806,825
2012	0.520	31,389,341	0.665	76,906,068	1.185	108,295,409
* 2013	0.520	30,005,085	0.680	76,846,937	1.200	106,852,022
2014	0.520	31,657,568	0.680	80,835,458	1.200	112,493,026
2015	0.540	32,647,441	0.680	72,373,686	1.220	105,021,127
* 2016	0.530	32,488,669	0.680	75,692,433	1.210	108,181,102
2017	0.520	33,536,293	0.686	77,888,277	1.206	111,424,570
2018	0.520	34,002,040	0.686	80,652,186	1.206	114,654,226
2019	0.520	34,944,274	0.686	85,625,070	1.206	120,569,344

* Last date for revaluation. Revaluation occurs every four years.

CITY OF GREENVILLE, NORTH CAROLINA
PRINCIPAL PROPERTY TAXPAYERS

Table 9

CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2019		Percentage of Total Taxable Assessed Value	2010		Percentage of Total Taxable Assessed Value
	Taxable Assessed Value	Rank		Taxable Assessed Value	Rank	
RPI Greenville Mall LP	\$ 44,614,187	1	0.66%			
North Campus Crossing				\$ 45,418,511	1	0.76%
Taft Ward Assemblage (The Boundary; Proximity)	42,513,374	2	0.63%			
Cooper Beech Townhome Communities				43,132,107	2	0.72%
Wal Mart Real Estate Business Trust	41,189,437	3	0.61%			
Marelda Greenville Mall / Colonial Mall				41,868,724	3	0.70%
Copper Beech Townhome Communities Thirty SPE LLC	38,466,338	4	0.57%			
PL Greenville LP				39,542,426	4	0.66%
PEP ECU LLC	33,276,309	5	0.49%			
Carolina Telephone				38,500,000	5	0.65%
PL Greenville LP	32,221,984	6	0.48%			
Corridor Greenville LLC				29,909,333	6	0.50%
401 Moye Boulevard Realty DST	31,901,462	7	0.47%			
Southeast Region (Pirates Cove)				21,899,283	7	0.37%
Breit SH Province Greenville LP	30,393,310	8	0.45%			
Waterford Place Apartment (I, II, III, & IV)				21,400,965	8	0.36%
MIMG CXLIX Southgate Sub LLC	27,800,740	9	0.41%			
Centro Heritage UC Greenville (University Commons)				20,710,833	9	0.35%
Heritage At Arlington Apts. LLC	26,893,930	10	0.40%			
Lowe's Home Centers (Two Locations)				<u>20,407,167</u>	10	0.34%
Totals	<u>\$ 349,271,071</u>		5.32%	<u>\$ 322,789,349</u>		5.56%

Note: Information obtained from Pitt County Government.

CITY OF GREENVILLE, NORTH CAROLINA
TOP CUSTOMERS - GREENVILLE UTILITIES COMMISSION

Table 10

CURRENT YEAR AND NINE YEARS AGO

Page 1 of 4

Electric Fund Customer	Product/Service	Fiscal Year 2019		Fiscal Year 2010	
		Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Patheon Manufacturing Services LLC ¹	Pharmaceuticals	5,426,049	3.12%	6,817,175	3.67%
DSM Dyneema, LLC	High Performance Fibers	4,933,795	2.84%	2,833,937	1.53%
Vidant Medical Center ²	Health Care	4,332,979	2.49%	5,181,055	2.79%
East Carolina University	Education	3,790,170	2.18%	4,277,327	2.30%
Attends Healthcare Products	Medical Products	2,602,515	1.50%	2,987,198	1.61%
Vidant Medical Center ²	Health Care	2,468,041	1.42%	1,522,855	0.82%
East Carolina University	Education	2,395,848	1.38%	3,586,400	1.93%
East Carolina University	Education	2,326,077	1.34%	3,371,231	1.82%
Mayne Pharma Inc	Pharmaceuticals	1,617,617	0.93%		
City of Greenville	Government	1,549,278	0.89%		
ASMO of Greenville	Motors			1,074,342	0.58%
Hyster Yale Group ³	Fork Lift Trucks			982,323	0.53%
Totals		\$ 31,442,369	18.09%	\$ 32,633,843	17.58%

CITY OF GREENVILLE, NORTH CAROLINA
TOP CUSTOMERS - GREENVILLE UTILITIES COMMISSION

Table 10

CURRENT YEAR AND NINE YEARS AGO

Page 2 of 4

Water Fund Customer	Product/Service	Fiscal Year 2019		Fiscal Year 2010	
		Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Town of Farmville	Government	793,198	3.79%		
Patheon Manufacturing Services LLC ¹	Pharmaceuticals	792,602	3.79%	387,476	3.04%
Town of Winterville	Government	348,896	1.67%	95,566	0.75%
Vidant Medical Center ²	Health Care	267,517	1.28%	209,329	1.64%
Vidant Medical Center ²	Health Care	205,744	0.98%	84,144	0.66%
DSM Dyneema, LLC	High Performance Fibers	174,810	0.84%	41,931	0.33%
DSM Dyneema, LLC	High Performance Fibers	170,433	0.81%		
Fuji Silysia Chemical USA, LTD	Silica Gel	152,085	0.73%	45,763	0.36%
Vidant Medical Center ²	Health Care	138,383	0.66%	52,958	0.42%
Stokes Regional Water Corporation	Water Utility	82,736	0.40%		
Greenville Housing Authority	Apartments			51,796	0.41%
East Carolina University	Education			73,804	0.58%
Pitt County	Government			59,597	0.47%
Totals		\$ 3,126,404	14.95%	\$ 1,102,364	8.66%

CITY OF GREENVILLE, NORTH CAROLINA
TOP CUSTOMERS - GREENVILLE UTILITIES COMMISSION

Table 10

CURRENT YEAR AND NINE YEARS AGO

Page 3 of 4

Sewer Fund Customer	Product/Service	Fiscal Year 2019		Fiscal Year 2010	
		Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Patheon Manufacturing Services LLC ¹	Pharmaceuticals	845,158	3.55%	514,926	3.74%
DSM Dyneema, LLC	High Performance Fibers	824,136	3.46%	85,512	0.62%
Town of Bethel	Government	670,342	2.81%	284,085	2.07%
Vidant Medical Center ²	Health Care	463,472	1.94%	331,896	2.41%
Vidant Medical Center ²	Health Care	352,143	1.48%	123,258	0.90%
Fuji Silysia Chemical USA, LTD	Silica Gel	279,072	1.17%	76,524	0.56%
Vidant Medical Center ²	Health Care	240,406	1.01%	80,132	0.58%
Mayne Pharma Inc	Pharmaceuticals	114,895	0.48%		
East Carolina University	Education	110,867	0.47%	113,425	0.82%
Greenville Housing Authority	Apartments	86,022	0.36%		
Pitt County	Government			60,192	0.44%
Town of Grimesland	Apartments			58,581	0.43%
Totals		<u>\$ 3,986,513</u>	<u>16.73%</u>	<u>\$ 1,728,531</u>	<u>12.57%</u>

CITY OF GREENVILLE, NORTH CAROLINA
TOP CUSTOMERS - GREENVILLE UTILITIES COMMISSION

Table 10

CURRENT YEAR AND NINE YEARS AGO

Page 4 of 4

Gas Fund Customer	Product/Service	Fiscal Year 2019		Fiscal Year 2010	
		Annual Revenue	Percentage of Total Revenue	Annual Revenue	Percentage of Total Revenue
Patheon Manufacturing Services LLC ¹	Pharmaceuticals	2,937,541	8.25%	3,594,491	9.54%
East Carolina University	Education	2,474,220	6.95%	3,430,720	9.11%
Vidant Medical Center ²	Health Care	1,798,450	5.05%	1,946,986	5.17%
Vidant Medical Center ²	Health Care	1,141,805	3.21%	682,641	1.81%
Mayne Pharma Inc ⁴	Pharmaceuticals	1,089,320	3.06%	509,006	1.35%
DSM Dyneema, LLC	High Performance Fibers	834,665	2.34%	808,397	2.15%
East Carolina University	Education	747,169	2.10%	1,234,393	3.28%
DSM Dyneema, LLC	High Performance Fibers	686,059	1.93%	532,325	1.41%
S T Wooten Construction Corp	Construction	674,638	1.89%		
Fuji Silysia Chemical USA, LTD	Silica Gel	636,536	1.79%	436,467	1.16%
Hyster Yale Group ³	Fork Lift Trucks			344,955	0.92%
Totals		<u>\$ 13,020,403</u>	<u>36.57%</u>	<u>\$ 13,520,381</u>	<u>35.90%</u>

¹ Formerly DSM Pharmaceuticals, Inc.

² Formerly Pitt County Memorial Hospital

³ Formerly NACCO Materials Handling

Note: Information gathered from the Greenville Utility Commission's billing system.

CITY OF GREENVILLE, NORTH CAROLINA
GENERAL FUND TAX REVENUES BY SOURCE

Table 11

LAST TEN FISCAL YEARS

Fiscal Year	** Property Tax	Sales Tax	* Franchise Tax	Alcoholic Beverage Tax	Other Taxes	Total
2010	\$ 30,580,836	\$ 12,983,004	\$ 6,385,550	\$ 115,658	\$ 103,446	\$ 50,168,494
2011	30,748,643	13,393,038	6,488,728	363,923	132,731	51,127,063
2012	31,567,318	14,694,476	6,442,004	368,940	121,759	53,194,497
2013	30,275,932	14,672,441	6,360,313	343,423	118,679	51,770,788
2014	31,205,437	14,804,915	6,316,830	376,811	119,582	52,823,574
2015	32,389,782	16,588,707	7,190,841	416,085	127,304	56,712,718
2016	32,488,669	17,289,693	7,821,142	390,180	142,723	58,132,406
2017	33,536,293	18,469,673	7,703,174	403,408	152,527	60,265,075
2018	34,002,040	19,117,701	7,697,099	386,066	150,760	61,353,666
2019	34,944,274	20,736,259	7,784,979	392,383	172,414	64,030,308

* Franchise Tax includes Cable TV and Utilities Franchise taxes.

** Net of Collection Fees

Note: Beginning fiscal year 2006-2007 Motor Vehicle Tax included as part of Property Tax.

CITY OF GREENVILLE, NORTH CAROLINA
PROPERTY TAX LEVIES AND COLLECTIONS

Table 12

LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	(1)	Collected within the		Collections in Subsequent Years	Total Collections to Date	
	Total Levy for	Fiscal Year of the Levy			Amount	Percentage of Levy
	Fiscal Year	Amount	Percentage of Levy			
2010	31,039,086	\$ 30,202,323	97.30%	\$ 730,354	\$ 30,932,677	99.66%
2011	30,838,534	29,811,533	96.67%	845,490	30,657,023	99.41%
2012	31,389,341	30,505,550	97.18%	729,934	31,235,484	99.51%
2013	30,005,085	29,195,139	97.30%	185,028	29,195,139	97.30%
2014	31,657,568	31,205,438	98.57%	381,881	31,205,438	98.57%
2015	32,647,441	32,389,782	99.21%	59,672	32,389,782	99.21%
2016	32,676,680	32,488,669	99.42%	128,430	32,488,669	99.42%
2017	33,704,285	33,536,293	99.50%	104,722	33,536,293	99.50%
2018	34,150,363	34,002,040	99.57%	148,323	34,002,040	99.57%
2019	35,048,537	34,944,274	99.70%	-	34,944,274	99.70%

(1) Analysis of Current Year Tax and Pitt County Tax Collections Report - Net of Abatements

CITY OF GREENVILLE, NORTH CAROLINA
RATIO OF OUTSTANDING DEBT BY TYPE

Table 13

LAST TEN FISCAL YEARS
(amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities				Revenue Bonds	Business-type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Assessment Bonds	Certificates of Participation	Installment Purchase Contracts		General Obligation Bonds	Installment Purchase Contracts	Other Debt			
2010	\$ 10,486	\$ 4,475	\$ 11,380	\$ 11,007	\$ 89,072	\$ 6,109	\$ 549	\$ 28,587	\$ 161,665	2.71%	\$ 1,996
2011	12,980	4,155	10,565	10,007	83,976	4,967	2,445	29,082	158,177	2.56%	1,883
2012	12,012	3,968	9,750	9,016	78,259	4,570	2,972	29,055	149,602	2.43%	1,781
2013	11,051	3,570	-	20,303	79,646	4,404	3,447	32,500	154,921	2.46%	1,781
2014	10,222	3,165	-	23,192	72,136	4,207	2,099	36,390	151,411	2.44%	1,701
2015	9,392	6,925	-	20,694	64,401	4,013	630	36,339	142,394	2.19%	1,600
2016	8,667	6,455	-	20,251	93,652	3,838	959	46,663	180,485	2.68%	2,005
2017	15,832	5,960	-	19,158	87,558	3,493	801	58,060	190,862	2.77%	2,075
2018	14,666	5,435	-	16,339	87,629	3,114	642	38,764	166,589	(1)	1,811
2019	13,504	4,880	-	14,729	133,746	2,741	487	37,631	207,718	(1)	2,258

- Note 1: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
 Note 2: Debt excludes OPEB liability, LEO separation allowances, and compensated absences.
 Note 3: Percentage of Personal Income based on income for Greenville MSA (Obtained from BEA - US Dept of Commerce).
 Note 4: Population amounts are as of July 1 of the fiscal year.
 Note 5: GO Bond amounts exclude bonds approved but unissued.

(1) Information not available to complete the analysis.

CITY OF GREENVILLE, NORTH CAROLINA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Table 14

LAST TEN FISCAL YEARS
(amounts expressed in thousands, except per capita amount)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Personal Income	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2010	15,315	892	14,423	0.25%	0.60%	176
2011	17,948	943	17,005	0.30%	0.60%	202
2012	16,582	979	15,603	0.25%	0.25%	193
2013	15,455	943	14,512	0.23%	0.25%	167
2014	14,429	443	13,986	0.23%	0.23%	157
2015	13,407	393	13,014	0.20%	0.21%	146
2016	12,505	354	12,151	0.18%	0.19%	135
2017	19,325	661	18,664	0.27%	0.30%	203
2018	17,780	771	17,009	(1)	0.27%	185
2019	16,245	1,135	15,110	(1)	0.24%	164

Note 1: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Note 2: Percentage of Personal Income based on income for the County (Obtained from the BEA-US Dept. of Commerce).
Income information on provided on the City level.

Note 3: Population amounts are as of July 1 of the fiscal year.

Note 4: GO Bond amounts include bonds approved but unissued.

(1) Information not available for this period.

CITY OF GREENVILLE, NORTH CAROLINA
LEGAL DEBT MARGIN - GOVERNMENTAL ACTIVITIES

Table 15

LAST TEN FISCAL YEARS

	<u>2010</u>	<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>
Debt limit	\$ 477,264	\$ 474,012	\$ 489,077	\$ 461,333	\$ 486,793	\$ 489,684	\$ 499,302	\$ 480,851	\$ 526,807	\$ 548,180
Total net debt applicable to limit	<u>161,665</u>	<u>157,611</u>	<u>150,355</u>	<u>156,000</u>	<u>152,518</u>	<u>142,395</u>	<u>180,485</u>	<u>189,317</u>	<u>166,589</u>	<u>207,718</u>
Legal debt margin	<u>\$ 315,599</u>	<u>\$ 316,401</u>	<u>\$ 338,722</u>	<u>\$ 305,333</u>	<u>\$ 334,275</u>	<u>\$ 347,289</u>	<u>\$ 318,817</u>	<u>\$ 291,534</u>	<u>\$ 360,218</u>	<u>\$ 340,462</u>
Total net debt applicable to the limit as a percentage of debt limit	33.87%	33.25%	30.74%	33.82%	31.33%	29.08%	36.15%	39.37%	31.62%	37.89%

Legal Debt Margin Calculation for Fiscal Year 2018

Assessed value	\$ 6,852,252,538
Debt Limit (8% of total assessed value)	548,180,203
Debt applicable to limit:	
General obligation bonds	16,245,000
Special obligation revenue	4,880,000
Revenue bonds	133,746,000
Other Debt	<u>52,847,000</u>
Legal debt margin	<u>\$ 340,462,203</u>

Note: Under state finance law, the Name of Government's outstanding general obligation debt should not exceed 8 percent of total assessed property value.

By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Amounts are expressed in thousands.

CITY OF GREENVILLE, NORTH CAROLINA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

Table 16

AS OF JUNE 30, 2019

<u>Governmental Unit</u>	<u>Net General Obligation Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping			
Pitt County	\$ 18,769	50.13%	\$ 9,409
Direct			
City of Greenville			<u>16,245</u>
Total direct and overlapping debt			<u>\$ 25,654</u>

Note: Amounts are expressed in thousands.

Sources: Assessed value data used to estimate applicable percentages provided by the County website, analysis of adopted tax levy. Debt outstanding data provided by the county.

CITY OF GREENVILLE, NORTH CAROLINA
PLEDGED REVENUE COVERAGE

Table 17

LAST TEN FISCAL YEARS

Fiscal Year	Utility Fund Revenues (1)	Operating Expenses (2)	Net Revenues Available for Debt Service	Debt Service Requirement (3)				Special Assessment Bonds			
				Principal	Interest	Total	Coverage	Special Assessment Collections	Debt Service		Coverage
									Principal	Interest	
2010	261,518	228,538	32,980	7,331	4,567	11,899	2.77	915	310	228	1.70
2011	274,671	236,102	38,569	8,368	4,905	13,273	2.91	967	320	215	1.81
2012	261,313	226,583	34,730	8,890	4,230	13,120	2.65	1,107	325	185	2.17
2013	264,251	228,067	36,185	9,388	4,061	13,450	2.69	1,059	398	112	2.08
2014	272,354	238,628	33,726	11,229	3,905	15,135	2.23	1,109	405	103	2.18
2015	273,208	233,793	39,415	11,476	3,671	15,147	2.60	1,207	440	144	2.07
2016	250,663	195,145	55,518	10,743	3,461	14,204	3.91	1,270	470	215	1.85
2017	248,339	206,715	41,624	10,421	2,661	13,082	3.18	1,275	440	215	1.95
2018	258,946	211,662	47,284	9,963	4,321	14,284	3.31	1,270	450	121	2.22
2019	263,079	213,489	49,590	11,982	4,004	15,986	3.10	1,321	465	130	2.22

Note: Amounts are expressed in thousands.

(1) Total revenues including interest and exclusive of any restricted revenue. Includes revenues for the electric, water, sewer and gas funds.

(2) Total operating expenses exclusive of depreciation unfunded OPEB expense and the change in pension expense promulgated by the implementation of GASB No. 68 and No. 71.

(3) Includes principal and interest of revenue bonds and subordinate debt exclusive of the general obligation bonds reported in the electric, water, sewer, and gas funds.

CITY OF GREENVILLE, NORTH CAROLINA
DEMOGRAPHIC AND ECONOMIC STATISTICS

Table 18

LAST TEN FISCAL YEARS

Fiscal Year	(2) Population	Personal Income (amounts expressed in thousands)	Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2010	81,747	5,888,934	30,970	31	23,267	9.8%
2011	84,554	6,187,507	32,111	26	23,235	7.8%
2012	86,017	6,167,597	35,743	26	23,386	10.6%
2013	87,242	6,300,104	36,153	26	23,495	9.6%
2014	89,130	6,209,314	35,410	31	23,500	6.9%
2015	89,852	6,513,624	37,042	26	23,511	6.9%
2016	90,597	6,724,276	37,943	26	23,056	5.9%
2017	91,495	7,714,500	39,900	28	23,310	4.9%
2018	93,137	(1)	(1)	(1)	26,600	4.2%
2019	93,137*	(1)	(1)	(1)	23,200	5.2%

Note 1: Population and Unemployment rate information obtained from Pitt County Development Commission.

Note 2: Personal Income and Per Capita information obtained from U.S. Bureau of Economic Analysis.

Note 3: Personal Income and Per Capita information is calculated on a County level. Information not maintained at City level.

Note 4: Median age and educational level information are based on surveys conducted during the last quarter of the calendar year.

School information obtained from the Superintendent's Office of the Pitt County School Administrative Unit.

(1) Information unavailable for this period.

(2) Information is provided as of July 1 of the fiscal year.

CITY OF GREENVILLE, NORTH CAROLINA
PRINCIPAL EMPLOYERS

Table 19

CURRENT YEAR AND NINE YEARS AGO

Employer	2019			2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Vidant Health	6,760	1	8.83%	7,373	1	10.38%
East Carolina University	5,672	2	7.41%	5,253	2	7.40%
Pitt County Public Schools	3,699	3	4.83%	3,111	3	4.38%
Patheon, Inc. (Thermo Fisher Scientific)	1,261	4	1.65%	1,100	4	1.55%
Hyster-Yale (NACCO)	1,226	5	1.60%	900	6	1.27%
City of Greenville	1,132	6	1.48%	743	9	1.05%
Pitt Community College	1,100	7	1.44%	861	7	1.21%
County of Pitt	1,000	8	1.31%	968	5	1.36%
Alliance One International	850	9	1.11%	850	8	1.20%
DENSO (Formerly Asmo)	722	10	0.94%	*NDF	*NR	0.00%
Total	23,422		30.59%	21,159		29.80%

Note: Information obtained from Pitt County Development Commission.

*NR = Not Ranked in Year Listed

*NDF = No Data Found

CITY OF GREENVILLE, NORTH CAROLINA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION

Table 20

LAST TEN FISCAL YEARS

	<u>2010</u>	<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>
Function										
General government	68	68	62	65	68	61	56	63	64	66
Public safety										
Police	239	239	240	240	241	233	239	230	293	240
Fire	157	157	157	153	158	148	158	153	152	151
Public Works	205	205	204	204	188	168	152	154	157	152
Recreation and Parks	62	62	65	65	67	57	74	56	51	54
Community Development	26	26	26	34	36	30	39	32	32	36
Electric	192	196	197	197	210	135	203	137	135	142
Water and Sewer	158	158	159	159	167	117	120	122	122	124
Gas	67	67	64	66	70	51	77	54	49	55
Total Employees	<u>1,174</u>	<u>1,178</u>	<u>1,174</u>	<u>1,183</u>	<u>1,205</u>	<u>1,000</u>	<u>1,118</u>	<u>1,001</u>	<u>1,055</u>	<u>1,020</u>

Note: Electric, Water, Sewer, and Gas prior year(s) numbers have changed due to Greenville Utilities Commission and supporting departments.

Source: Human Resources Department and Greenville Utilities Commission.

CITY OF GREENVILLE, NORTH CAROLINA
OPERATING INDICATORS BY FUNCTION

Table 21

LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Function										
Police:										
Physical arrests	4,826	4,888	4,861	5,592	5,487	4,590	4,254	3,645	3,650	3,325
Parking violations	11,862	4,658	5,537	7,522	8,646	8,717	13,970	14,482	21,789	15,466
Traffic violations	20,326	16,235	15,420	16,975	11,979	9,720	8,753	6,922	7,433	8,472
Fire:										
Number of calls answered	4,114	4,746	5,339	5,479	5,753	2,706	2,959	3,087	2,946	3,457
Inspections	2,644	2,787	2,593	1,902	1,571	1,938	1,699	2,709	3,333	3,282
EMS:										
Number of calls answered	13,035	15,149	15,006	15,080	15,353	13,917	14,065	15,001	14,757	15,148
Sanitation:										
Refuse collected (tons/year)	29,163	28,286	29,309	27,888	27,955	28,318	28,558	27,235	28,390	30,708
Recyclables collected (tons/year)	3,599	4,038	5,538	5,101	4,446	3,366	3,920	4,154	4,449	3,991
Culture and recreation:										
Facility reservations issued	1,560	1,936	2,013	1,841	1,692	1,798	2,106	1,292	1,292	1,705
Water:										
Connections (of service connect)	34,336	34,419	34,514	34,742	34,959	35,179	35,599	35,794	36,338	36,183
Water Lines (miles)	626	626	628	628	627	628	629	631	631	633
Average daily consumption (thousands of gallons)	10,977	11,850	11,896	12,008	12,394	12,800	12,384	12,237	12,800	14,200
Wastewater:										
Average daily sewage treatment (thousands of gallons)	10,120	9,593	10,301	10,426	10,530	10,800	11,195	10,220	9,550	10,400

Sources: Various government and Greenville Utilities Commission departments.

CITY OF GREENVILLE, NORTH CAROLINA
CAPITAL ASSET STATISTICS BY FUNCTION

Table 22

LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Function										
Public safety:										
Police Stations	2	3	3	3	3	3	3	4	4	3
Patrol units	183	192	203	203	202	178	202	208	214	214
Fire stations	6	6	6	6	6	6	6	6	6	6
Sanitation:										
Collection trucks	42	42	42	41	38	41	45	40	40	40
Highways and streets:										
Streets (miles)	263.8	269.9	269.0	269.1	269.33	269.59	269.1	270.78	272.08	274.46
Streetlights	6,672	6,993	7,065	7,105	7,152	7,220	7,105	7,250	7,448	7,627
Traffic signals	33	33	33	33	33	33	33	33	32	31
Culture and recreation:										
Parks acreage	1,450	1,455	1,455	1,455	1,455	1,455	1,454	1,460	1,466	1,466
Parks	29	29	29	29	29	29	26	26	27	27
Swimming pools	2	2	2	2	2	2	2	2	2	2
Spraygrounds	-	-	-	1	1	1	1	1	1	1
Tennis courts	24	24	24	24	24	24	21	21	20	12
Community centers	5	2	3	3	3	3	3	3	3	3
Recreation Centers	6	6	6	6	6	6	7	7	7	7
Specialty Centers	-	3	3	3	3	3	3	3	3	3
Electric:										
Number of distribution stations	19	19	19	19	19	19	19	23	19	19
Miles of service lines	2,575	2,672	2,714	2,719	2,781	2,804	2,901	2,917	2,939	2,993
Water:										
Water lines (miles)	618	626	628	628	627	628	629	631	631	633
Maximum daily treatment capacity (millions of gallons)	24.5	24.5	24.5	24.5	24.5	22.5	24.5	22.5	17.8	22.5
Sewer:										
Sanitary sewers (miles)	468	469	471	479	471	475	479	479	481	482
Maximum daily treatment capacity (millions of gallons)	17.5	17.5	17.5	17.5	17.5	17.5	17.5	17.5	17.5	24.5
Gas:										
Miles of pipeline	597	600	604	609	612	613	614	621	1,070	626
Miles of service lines	422	424	430	434	437	438	440	446	446	446



Single Audit & Compliance

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2019



**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***

The Honorable Mayor
and Members of the City Council
City of Greenville
Greenville, 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 City of Greenville, North Carolina, (the "City") as of and for the year ended June 30, 2019 and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 30, 2019.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Chemy Bekaert LLP

Raleigh, North Carolina
December 30, 2019

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

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

Report on Compliance for Each Major Federal Program

We have audited the City of Greenville, North Carolina, (the “City”) compliance with the types of compliance requirements described in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the North Carolina Local Government Commission, that could have a direct and material effect on each of the City’s major federal programs for the year ended June 30, 2019. The City’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

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

Auditor’s Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control over Compliance

Management of the City 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 City'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 City'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 a 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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Chemy Bekaert LLP

Raleigh, North Carolina
December 30, 2019

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

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

Report on Compliance for Each Major State Program

We have audited the City of Greenville, North Carolina, (the “City”) 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 each of its major State programs for the year ended June 30, 2019. The City’s major State programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

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

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the City’s major State 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 Title 2 US 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 City’s compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

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

Opinion on Each Major State Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2019.

Report on Internal Control over Compliance

Management of the City 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 City'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 City's internal control over compliance.

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

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Chemy Bekaert LLP

Raleigh, North Carolina
December 30, 2019

CITY OF GREENVILLE, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2019

SECTION I. Summary of Auditor's Results

Financial Statements

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

Internal control over financial reporting:

- Material weakness identified Yes No
- Significant deficiency identified that is not considered to be a material weakness Yes None reported
- Noncompliance material to financial statements noted Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness identified Yes No
- Significant deficiency identified that is not considered to be a material weakness Yes None reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major federal programs:

<u>CFDA Number</u>	<u>Names of Federal Program or Cluster</u>
66.458	Clean Water State Revolving Fund Cluster

Dollar threshold used to distinguish between Type A and Type B Programs \$ 750,000

Auditee qualified as low-risk auditee? Yes No

CITY OF GREENVILLE, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2019

SECTION I. Summary of Auditor's Results (Continued)

State Awards

Internal control over major State programs:

- Material weakness identified Yes No
- Significant deficiency identified that is not considered to be a material weakness Yes None reported

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

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act Yes No

Identification of major State programs:

Program Name
Powell Bill

SECTION II. Financial Statement Findings

None reported.

SECTION III. Federal Award Findings and Questioned Costs

None reported.

SECTION IV. State Award Findings and Questioned Costs

None reported.



City Manager's Office

City of Greenville, North Carolina

Summary Schedule of Prior Audit Findings

Year Ended June 30,2019

None reported

CITY OF GREENVILLE, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

YEAR ENDED JUNE 30, 2019

Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	State/Pass-Through Grantor's Number	Federal (Direct and Pass Through) Expenditures	State Expenditures	Passed Through to Subrecipients	Local Expenditures	Total Expenditures
FEDERAL FINANCIAL ASSISTANCE:							
Cash Programs:							
U.S. Department of Housing and Urban Development							
Direct Programs -							
<u>Community Development Block Grant - Entitlement Grants Cluster</u>							
CDBG Entitlement Grant	14.218		\$ 20,486	\$ -	\$ -	\$ 8,093	\$ 28,579
CDBG Entitlement Grant	14.218		43,094	-	-	19,595	62,689
CDBG Entitlement Grant	14.218		278,569	-	2,721	133,542	412,111
CDBG Entitlement Grant	14.218		393,152	-	46,696	178,675	571,827
CDBG Entitlement Grant	14.218		186,169	-	1,625	86,229	272,398
Total CDBG Entitlement Grants Cluster			921,470	-	51,042	426,134	1,347,604
HOME Investment Partnerships Program	14.239		24,949	-	-	-	24,949
HOME Investment Partnerships Program	14.239		14,091	-	-	-	14,091
HOME Investment Partnerships Program	14.239		33,918	-	-	-	33,918
HOME Investment Partnerships Program	14.239		91,830	-	-	-	91,830
HOME Investment Partnerships Program	14.239		21,489	-	-	2,308	23,797
			186,277	-	-	2,308	188,585
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900		4,760	-	-	-	4,760
Total U.S. Department of Housing and Urban Development			1,112,507	-	51,042	428,442	1,540,949
U.S. Department of Transportation							
Direct Programs -							
<u>Highway Planning and Construction Cluster</u>							
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505		406,586	-	-	101,647	508,233
Passed through NC Public Transportation Division SAFETEA-LU Safe Routes to School	20.505	SR-5001CA	174,416	-	-	-	174,416
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	PL-104	133,884	-	-	33,471	167,355
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	PL-104	33,600	-	-	4,200	37,800
Total Highway Planning and Construction Cluster			748,486	-	-	139,318	887,804
<u>Federal Transit Cluster</u>							
Federal Transit - Formula Grants	20.507		528,741	-	-	528,741	1,057,482
Federal Transit - Formula Grants	20.507		54,984	-	54,984	13,746	68,730
Federal Transit - Formula Grants	20.507		23,392	-	-	5,848	29,240
Federal Transit - Formula Grants	20.507		84,304	-	-	84,304	168,608
Federal Transit - Formula Grants	20.507		101,221	-	101,221	25,305	126,526
Federal Transit - Formula Grants	20.507		452,090	-	-	113,022	565,112
Federal Transit - Formula Grants	20.507		1,040,000	-	-	260,000	1,300,000
Federal Transit - Formula Grants	20.507		71,591	-	-	17,898	89,489
Federal Transit - Formula Grants	20.507		441,036	-	-	110,259	551,295
Federal Transit - Formula Grants	20.507		6,458	-	-	807	7,265
Federal Transit - Formula Grants	20.507		643,197	-	-	80,400	723,597
Total Federal Transit Cluster			3,447,014	-	156,205	1,240,330	4,687,344
Total U.S. Department of Transportation			4,195,500	-	156,205	1,379,648	5,575,148
U.S. Department of Justice							
Direct Programs -							
Public Safety Partnership and Community Policing Grants	16.710		388,089	-	-	204,979	593,068
National Sexual Assault Kit Initiative	16.833		2,981	-	-	745	3,726
Edward Byrne Memorial Justice Assistance Grant Program	16.738		47,376	-	15,000	-	47,376
Equitable Sharing Program	16.922		55,408	-	-	-	55,408
Passed through the Governors Crime Commission Crime Victim Assistance	16.575	2016-VA-GX-0075	51,331	-	-	12,833	64,164
Total U.S. Department of Justice			545,185	-	15,000	218,557	763,742
U.S. Department of Homeland Security							
Passed through N.C. Department of Public Safety Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4285-DR-NC	257,544	-	-	85,848	343,392
Total Department of Homeland Security			257,544	-	-	85,848	343,392
Environmental Protection Agency							
Direct Programs -							
Brownfields Training, Research, and Technical Assistance Grants	66.814		56,130	-	-	-	56,130
Noncash Programs:							
Passed through NC Department of Environmental Quality							
<u>Clean Water State Revolving Fund Cluster</u>							
Capitalization Grants for Clean Water State Revolving Funds	66.458	CS370487-10	16,319,234	-	-	44,960	16,364,194
Capitalization Grants for Clean Water State Revolving Funds	66.458	CS370487-11	210,206	-	-	20,591	230,797
Capitalization Grants for Clean Water State Revolving Funds	66.458	CS370487-12	-	-	-	12,300	12,300
Total Clean Water State Revolving Fund Cluster			16,529,440	-	-	77,851	16,607,291
<u>Clean Water State Revolving Fund Cluster</u>							
Capitalization Grants for Drinking Water State Revolving Funds	66.468	WIF-1907	655,745	-	-	299,446	955,191
Total Drinking Water State Revolving Fund Cluster			655,745	-	-	299,446	955,191
Total Environmental Protection Agency			17,241,315	-	-	377,297	17,618,612

CITY OF GREENVILLE, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

YEAR ENDED JUNE 30, 2019

Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	State/Pass-Through Grantor's Number	Federal (Direct and Pass Through) Expenditures	State Expenditures	Passed Through to Subrecipients	Local Expenditures	Total Expenditures
STATE OF NORTH CAROLINA FINANCIAL ASSISTANCE							
Cash Assistance:							
Housing Finance Agency							
Urgent Repair Program	N/A	NCHFA-1	\$ -	\$ 12,575	\$ -	\$ -	\$ 12,575
Total Housing Finance Agency			-	12,575	-	-	12,575
Department of Natural and Cultural Resources							
North Carolina Museum of Natural Sciences							
North Carolina Museum Grant	N/A	NCDR	-	21,213	-	2,427	23,640
Parks and Recreation Division							
Connect NC Bond Grant	N/A	N/A	-	82,874	-	20,719	103,593
Total Department of Natural and Cultural Resources			-	104,087	-	23,146	127,233
Department of Transportation							
Division of Highways							
Powell Bill Funds	N/A	200026714	-	2,500,000	-	-	2,500,000
Public Transportation Division							
Urban/Regional Bus and Facility Program							
Urban/Regional Bus and Facility Program	N/A	10-0400-32.02	-	807	-	-	807
Urban/Regional Bus and Facility Program	N/A	15-90-557	-	80,400	-	-	80,400
Public Transportation Division							
Transit Development Program (Capital and Noncapital)							
State Maintenance Assistance Program (SMAP)	N/A	N/A	-	4,200	-	-	4,200
State Maintenance Assistance Program (SMAP)	N/A	1SMAP012	-	292,055	-	-	292,055
Passed through Pitt County Pitt Area Transit System							
Rural Operating Assistance Program Cluster	N/A	N/A	-	20,000	-	-	20,000
Total Department of Transportation			-	2,897,462	-	-	2,897,462
Department of Commerce							
Building Reuse Grant							
Building Reuse Grant	N/A	2014-38-3201-2587	-	19,000	-	1,000	20,000
Total Department of Commerce			-	19,000	-	1,000	20,000
Total Federal and State Assistance			\$ 23,352,051	\$ 3,033,124	\$ 222,247	\$ 2,513,938	\$ 28,899,113

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

YEAR ENDED JUNE 30, 2019

Note 1—Basis of presentation

The accompanying schedule of expenditures of federal and State awards ("SEFSA") includes the federal and State grant activity of the City of Greenville under the programs of the federal government and the State of North Carolina for the year ended June 30, 2019. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of the City of Greenville, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City of Greenville.

Note 2—Summary of significant accounting policies

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

City of Greenville has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3—State match to Federal Transit Cluster Grant

The North Carolina Department of Transportation Urban/Regional Bus and Facility Program grant provides the state match to the NC-04-0032-00 and NC-90-X557-00 grants.



Greenville
NORTH CAROLINA

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