

Comprehensive Annual Financial Report

Fiscal year ending June 30, 2020



Find yourself in good company®

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.



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CITY OF GREENVILLE, NORTH CAROLINA
TABLE OF CONTENTS

	Exhibit	Page
INTRODUCTION SECTION		
Letter of Transmittal		1-4
Government Finance Officers' Association (GFOA) Certificate of Achievement		5
Organization Chart		6
City Officials		7
FINANCIAL SECTION		
Report of Independent Auditor		8-9
Management's Discussion and Analysis		10-22
Government-Wide Financial Statements:		
Statement of Net Position	A	23
Statement of Activities	B	24
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C	25-26
Statement of Revenues, Expenditures, and Changes in Fund Balances	D	27
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds to the Statement of Activities	E	28
General Fund:		
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	F	29
Proprietary Funds:		
Statement of Fund Net Position	G	30-31
Statement of Revenues, Expenses, and Changes in Fund Net Position	H	32-33
Statement of Cash Flows	I	34-37
Fiduciary Funds:		
Statement of Fiduciary Net Position	J	38
Statement of Changes in Fiduciary Net Position	K	39
Notes to the Financial Statements		40-113

CITY OF GREENVILLE, NORTH CAROLINA
TABLE OF CONTENTS

	Schedule	Page
REQUIRED SUPPLEMENTARY INFORMATION		
Schedule of Changes in Total Pension Liability – Law Enforcement Officers’ Special Separation Allowance	A-1	114
Schedule of Total Pension Liability as a Percentage of Covered Payroll – Law Enforcement Officers’ Special Separation Allowance	A-2	115
Schedule of Changes in the Net Other Postemployment Benefits (OPEB) Liability and Related Ratios – City	A-3	116
Schedule of Contributions (OPEB) – City	A-4	117
Schedule of Investment Returns (OPEB) – City	A-5	118
Schedule of Changes in the Net Other Postemployment Benefits (OPEB) Liability and Related Ratios – Greenville Utilities Commission (GUC)	A-6	119
Schedule of Contributions (OPEB) – Greenville Utilities Commission (GUC)	A-7	120
Schedule of Investment Returns (OPEB) – Greenville Utilities Commission (GUC)	A-8	121
Schedule of Proportionate Share of Net Pension Liability (Asset) – Local Governmental Employees’ Retirement System – City	A-9	122
Schedule of Contributions – Local Governmental Employees’ Retirement System – City	A-10	123
Schedule of Proportionate Share of Net Pension Liability (Asset) – Local Governmental Employees’ Retirement System – Greenville Utilities Commission (GUC)	A-11	124
Schedule of Contributions – Local Governmental Employees’ Retirement System – Greenville Utilities Commission (GUC)	A-12	125
OTHER SUPPLEMENTARY INFORMATION		
Schedule of Ad Valorem Taxes Receivable	A-13	126
Analysis of Current Tax Levy – City-Wide Levy	A-14	127
Government Fund Financial Statements – General Fund:		
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	A-15	128-130
Nonmajor Governmental Funds:		
Combining Balance Sheet	B-1	131
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	B-2	132
Nonmajor Special Revenue Funds:		
Combining Balance Sheet	C-1	133
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	C-2	134

CITY OF GREENVILLE, NORTH CAROLINA
TABLE OF CONTENTS

OTHER SUPPLEMENTARY INFORMATION (Continued)	Schedule	Page
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:		
Community Development and HOME Fund	C-3	135
Sheppard Memorial Library Fund	C-4	136
Housing Trust Fund	C-5	137
Centralized Grant Projects Fund	C-6	138
FEMA Fund	C-7	139
Donations Fund	C-8	140
Nonmajor Capital Projects Funds:		
Combining Balance Sheet	D-1	141
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	D-2	142
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:		
Affordable Housing Capital Projects Fund	D-3	143
Recreation and Parks Capital Projects Fund	D-4	144
Public Works Capital Projects Fund	D-5	145
Greenways Capital Projects Fund	D-6	146
Street Improvement Capital Projects Fund	D-7	147
Engineering Capital Projects Fund	D-8	148
Community Development Capital Projects Fund	D-9	149
IT Capital Projects Fund	D-10	150
Fire and Rescue Capital Projects Fund	D-11	151
Police Capital Projects Fund	D-10	152
Capital Reserve Fund	D-11	153
Nonmajor Debt Service Fund:		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	E-1	154
Proprietary Funds:		
Major Enterprise Funds:		
Schedule of Revenues and Expenditures – Budget and Actual (Non-GAAP):		
Electric Operating Fund	F-1	155
Water Operating Fund	F-2	156
Sewer Operating Fund	F-3	157
Gas Operating Fund	F-4	158

CITY OF GREENVILLE, NORTH CAROLINA
TABLE OF CONTENTS

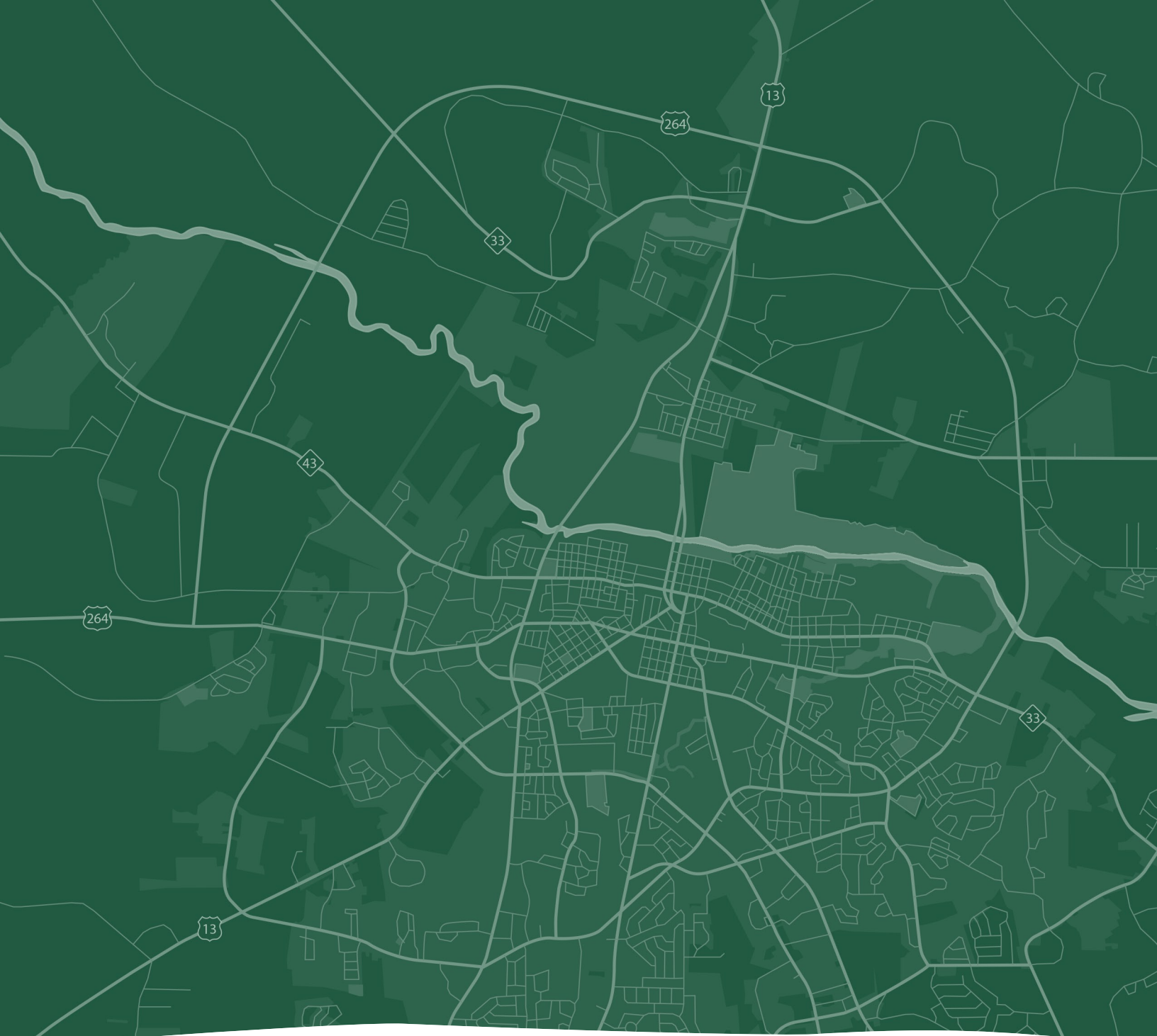
OTHER SUPPLEMENTARY INFORMATION (Continued)	Schedule/ Table	Page
Stormwater Operating Fund	F-5	159
Stormwater Capital Project Fund	F-6	160
 Nonmajor Enterprise Funds:		
Combining Statement of Fund Net Position	F-7	161
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	F-8	162
Combining Statement of Cash Flows	F-9	163
Schedule of Revenues and Expenditures – Budget and Actual (Non-GAAP):		
Public Transportation	F-10	164
Sanitation Fund	F-11	165
 Internal Service Funds:		
Combining Statement of Fund Net Position	G-1	166
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	G-2	167
Combining Statement of Cash Flows	G-3	168
Schedule of Revenues and Expenditures – Financial Plan and Actual (Non-GAAP):		
Vehicle Replacement	G-4	169
Health Insurance	G-5	170
Fleet Maintenance	G-6	171
Facilities Improvement	G-7	172
 Agency Fund:		
Red Light Camera – Statement of Changes in Assets and Liabilities	H-1	173
 STATISTICAL SECTION		
Net Position by Component – Last Ten Fiscal Years	1	174
Changes in Net Position – Last Ten Fiscal Years	2	175-176
Fund Balances of Governmental Funds – Last Ten Fiscal Years	3	177
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years	4	178
Greenville Utilities Commission – Revenue Base – Last Ten Fiscal Years	5	179
Assessed Value and Estimated Actual Value of Taxable Property – Last Ten Fiscal Years	6	180
Greenville Utilities Commission – Direct Overlapping Revenue Rates – Last Ten Fiscal Years	7	181
Property Tax Rates – Direct and Overlapping Governments – Last Ten Fiscal Years	8	182

CITY OF GREENVILLE, NORTH CAROLINA
TABLE OF CONTENTS

STATISTICAL SECTION (continued)	Table	Page
Principal Property Taxpayers – December 31, 2019 for Fiscal Year 2020	10	183
Top Customers – Greenville Utilities Commission – Current Year and Nine Years Ago	11	184-187
General Fund Tax Revenues by Source – Last Ten Fiscal Years	11	188
Property Tax Levies and Collections – Last Ten Fiscal Years	12	189
Ratio of Outstanding Debt by Type – Last Ten Fiscal Years	13	190
Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years	14	191
Legal Debt Margin – Governmental Activities – Last Ten Fiscal Years	15	192
Direct and Overlapping Governmental Activities Debt	16	193
Pledged Revenue Coverage – Last Ten Fiscal Years	17	194
Demographic and Economic Statistics – Last Ten Fiscal Years	18	195
Principal Employers – Current Year and Nine Years Ago	19	196
Full-time Equivalent City Government Employees by Function – Last Ten Fiscal Years	20	197
Operating Indicators by Function – Last Ten Fiscal Years	21	198
Capital Asset Statistics by Function – Last Ten Fiscal Years	22	199

SINGLE AUDIT AND COMPLIANCE SECTION

Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		200-201
Report of Independent Auditor 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		202-203
Report of Independent Auditor 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		204-205
Schedule of Findings and Questioned Costs		206-207
Summary Schedule of Prior Audit Findings		208
Schedule of Expenditures of Federal and State Awards		209-210
Notes to the Schedule of Expenditures of Federal and State Awards		211



Introduction

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2020



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

State law requires that every general purpose local government publish, within four 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, 2020.

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 it 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, 2020. 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 report of the independent auditor 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 93,400.

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 Vidant Health Cancer Center, opened in 2018, is 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.

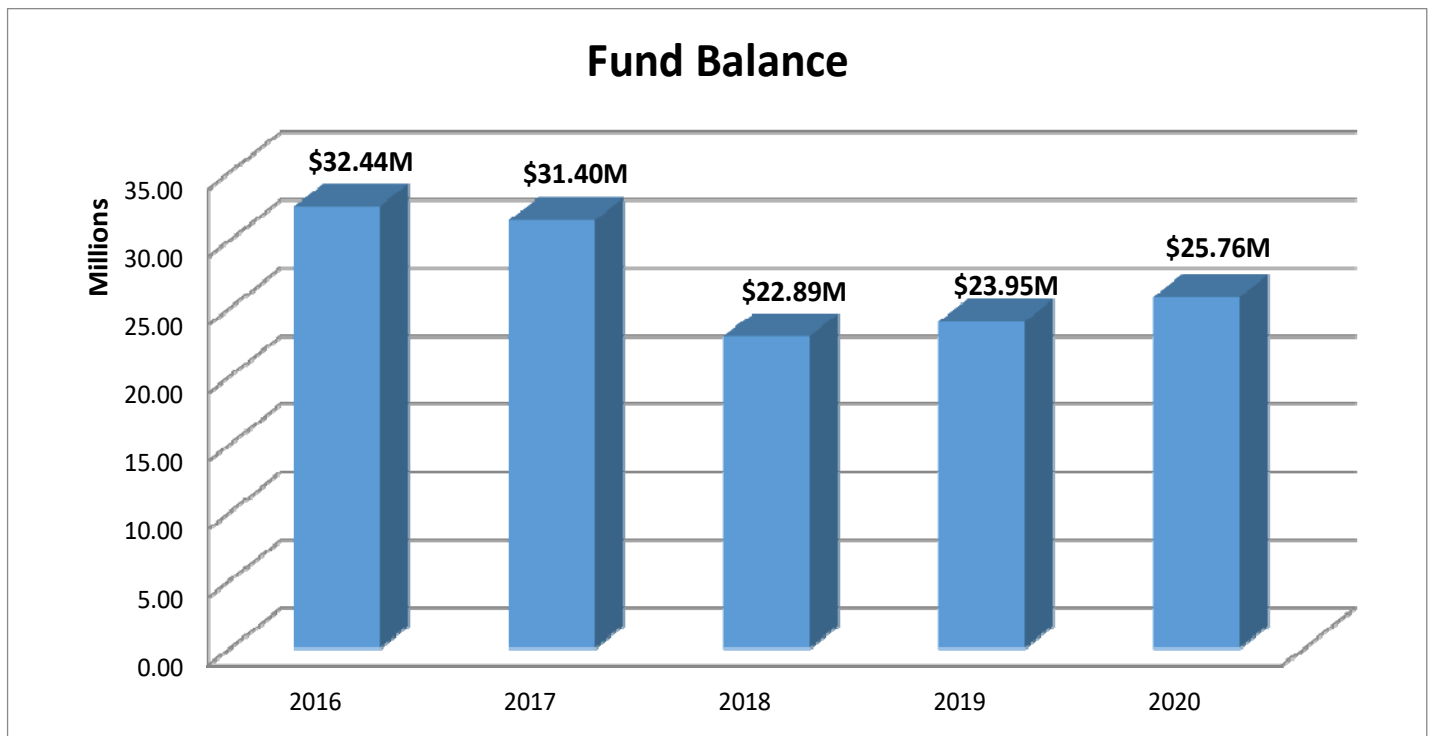
A majority of Greenville's manufacturing is located inside the extra-territorial jurisdiction (ETJ), thereby providing stable employment for Greenville's residents. However, much of this manufacturing is located outside the City's limits, which does not provide the property tax base that would help Greenville 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 2020 budget represented a less than 1% increase from the FY 2019 total. This was the result of a continued focus on Council priorities during the budget process, creating a level of consistency between years. Revenue estimates were adjusted to provide a more accurate and conservative representation of historical trends. These adjustments resulted in a continued focus on street maintenance funding, additional public safety positions, a 2.7% employee salary increase, and additional commercial/industrial site development funding. In FY 2020, \$20.4 million in Sales tax was collected, decreasing 1.3% when compared to prior year, mainly impacted by the initial stages of the COVID-19 pandemic on the local economy. Additionally, the FY 2020 property tax rate remained unchanged, at \$0.52 per \$100 of assessed valuation.



Based on revenues of \$86.9 million and expenses of \$85.1 million, the City's General Fund experienced a net increase in fund balance of \$1.8 million; thereby avoiding the use of the original appropriation for the year.

The City of Greenville maintains a healthy total fund balance of approximately \$25.7 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 \$37.9 million. Total City debt is \$232.8 million.

As of June 30, 2020, the City of Greenville maintained strong bond ratings with Moody's and Standard and Poor's of Aa2 and AA, respectively, which were reaffirmed during the fiscal year.

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, 2019. 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, 2020 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 and the Audit and Grant Compliance Division. 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 residents of Greenville, North Carolina and the financial community to maintain financial statements in conformance with the highest standards of financial accountability.

Respectfully submitted,

A handwritten signature in black ink that reads "Byron Hayes". The signature is written in a cursive, flowing style.

Byron Hayes, MBA, CLGFO
Financial Services Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

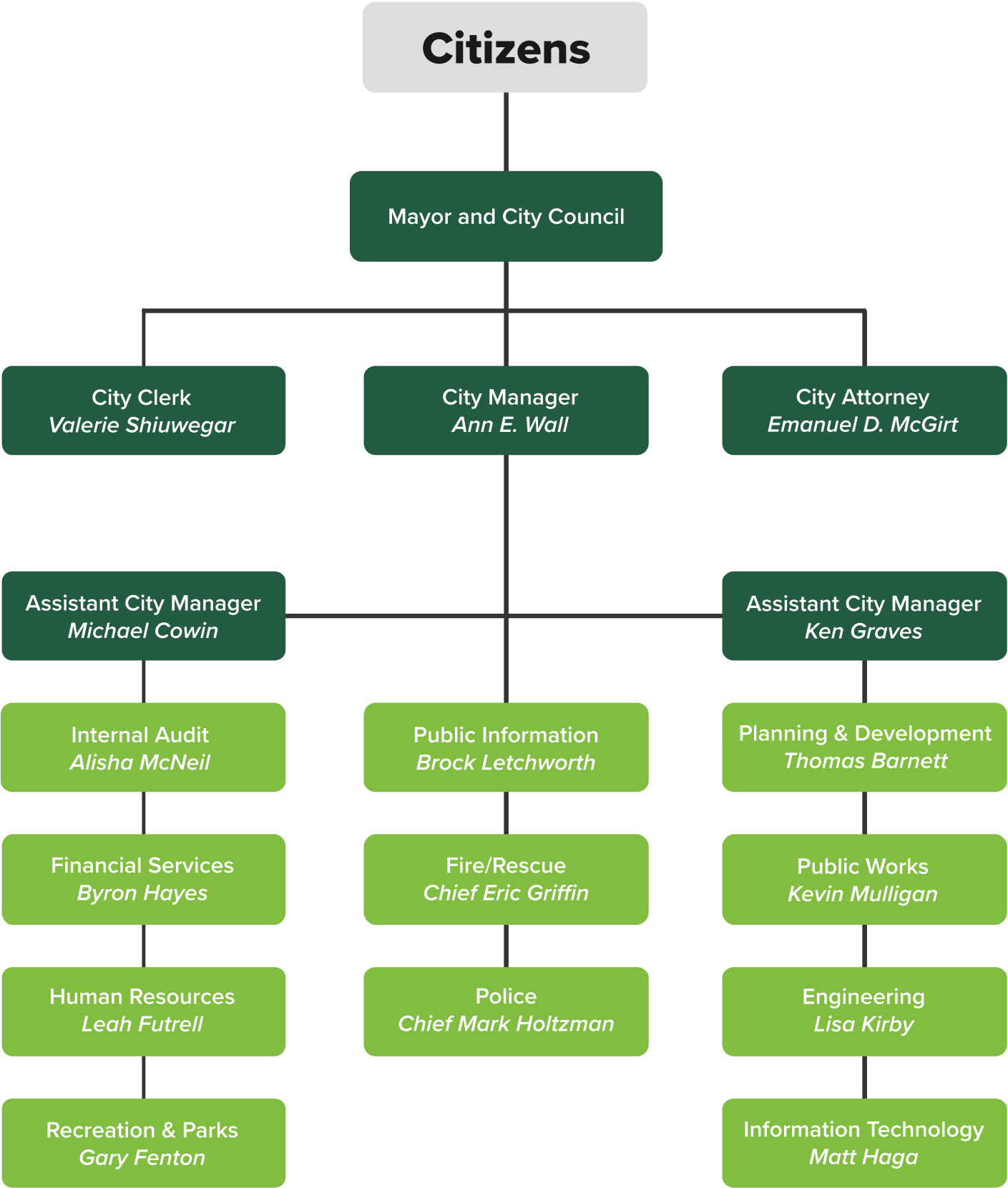
**City of Greenville
North Carolina**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

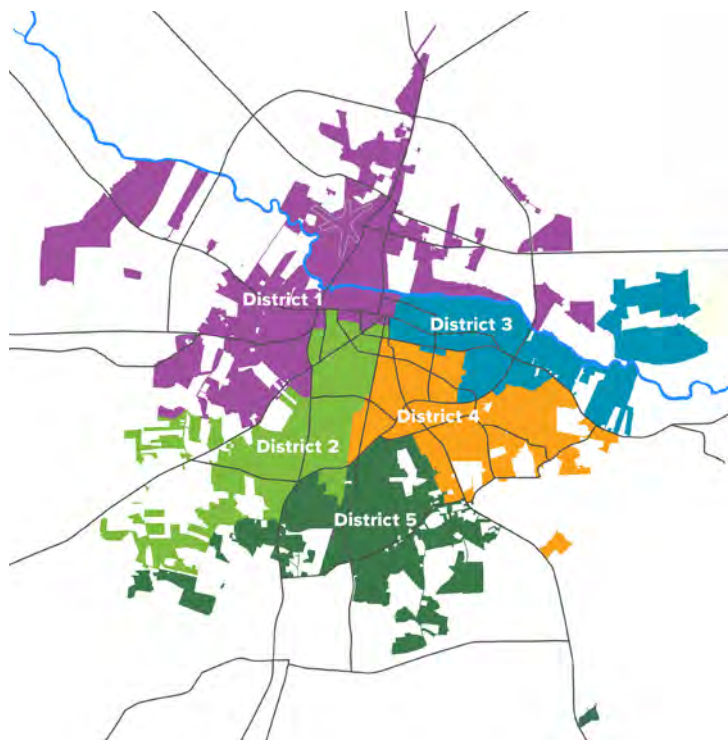




CITY OFFICIALS

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

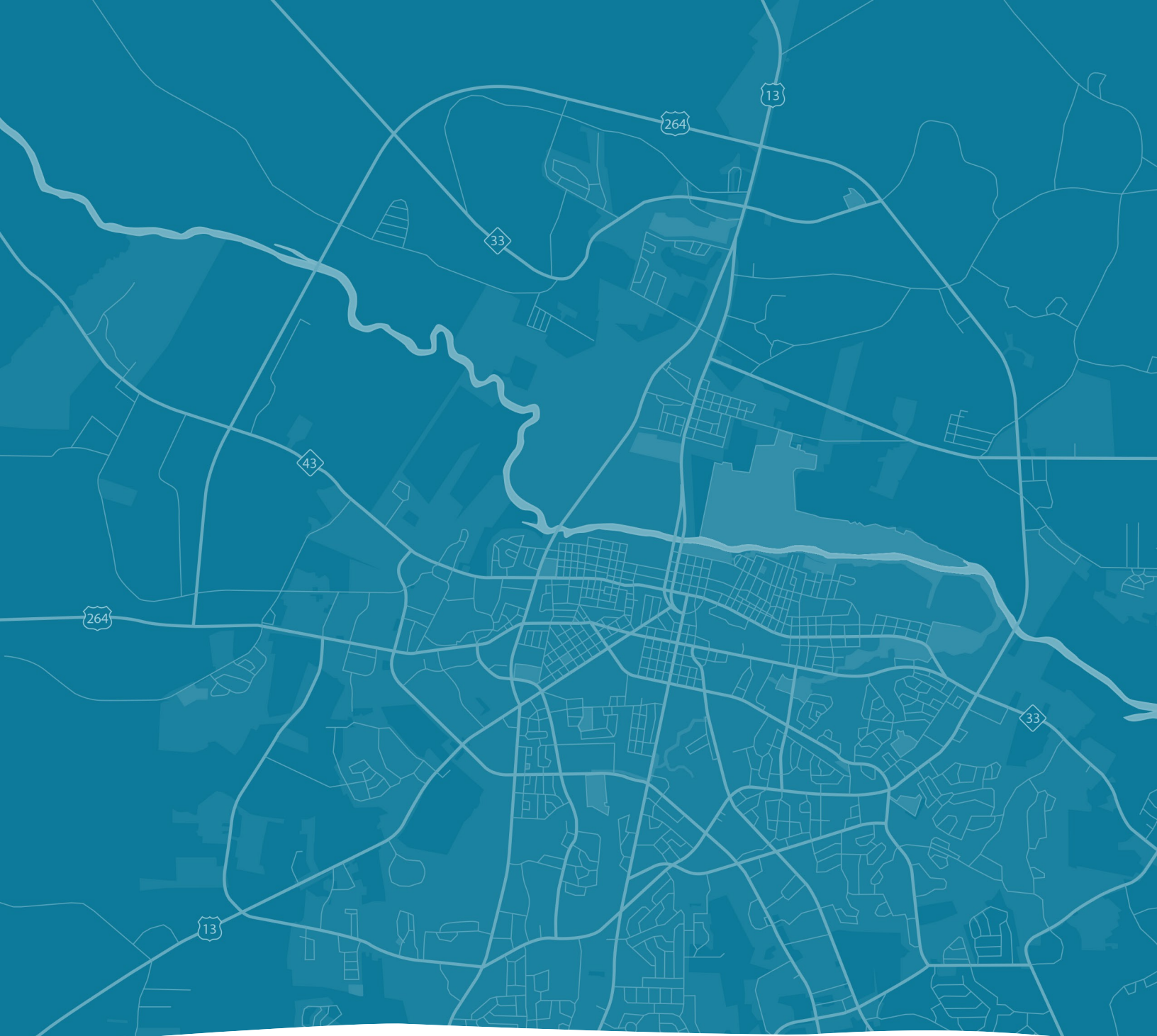


William Litchfield
District 5



Brian Meyerhoeffer
At-Large





Financial Section

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2020

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, 2020, 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, 2020, 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 10, 2020, 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 10, 2020

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, 2020. 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, 2020 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 \$622,873,713 (*net position*). Of this amount, \$114,048,454 can be used to meet the City's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$24,511,791. The City's net position changed due to an increase of \$6,025,358 in Governmental Activities and an increase of \$18,486,433 in Business-type activities.
- The City of Greenville's governmental funds reported combined ending fund balances of \$44,257,372, an increase of \$3,783,597, in comparison with the prior year. Approximately 63.5% of the total fund balance, within the General Fund, or \$16,375,905, is available for spending at the government's discretion. Of this amount, 98.2% is considered unassigned fund balance. Approximately 36.5% of the total General Fund's fund balance amount, or \$9,388,857, is non-spendable, restricted, or committed.
- Unassigned fund balance for the General Fund was \$16,075,905, or 18.9% 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 \$1,811,322, when compared to prior year. Overall, the expenditures decreased 0.7% while revenues increased 1.2%. 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 \$8,730,057 million during the current fiscal year.
- In Fiscal Year 2021, the City will issue approximately \$6.6 and \$5 million in installment financing to construct a new fire station and various Recreation and Parks projects respectively. The Recreation and Parks projects are a new municipal swimming pool as well as capital upgrades to the Eppes Recreation Center.

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

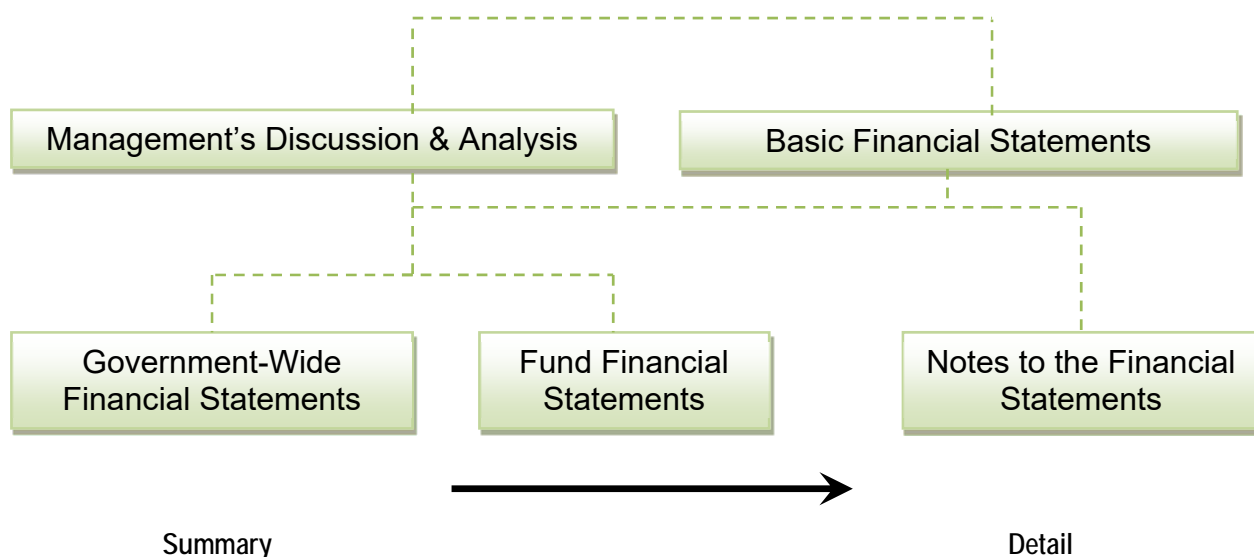
MANAGEMENT'S DISCUSSION AND ANALYSIS

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 services 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, 2020 (as shown in Exhibit A) with comparative data for June 30, 2019.

City of Greenville's Net position
Figure 2

	<u>Government Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current and other assets	\$ 62,167,574	\$ 61,647,231	\$ 222,851,587	\$ 254,028,842	\$ 285,019,161	\$ 315,676,073
Investment in joint venture	28,896,076	27,628,003	-	-	28,896,076	27,628,003
Capital assets, non-depreciable	68,282,869	85,337,706	95,614,133	49,013,320	163,897,002	134,351,026
Capital assets, net	<u>145,921,242</u>	<u>115,038,015</u>	<u>387,889,491</u>	<u>378,987,209</u>	<u>533,810,733</u>	<u>494,025,224</u>
Total Assets	<u>305,267,761</u>	<u>289,650,955</u>	<u>706,355,211</u>	<u>682,029,371</u>	<u>1,011,622,972</u>	<u>971,680,326</u>
Total Deferred outflows of resources	<u>12,545,683</u>	<u>13,385,445</u>	<u>24,885,916</u>	<u>21,946,499</u>	<u>37,431,599</u>	<u>35,331,944</u>
Long-term liabilities outstanding	104,662,020	95,672,608	257,886,370	247,375,473	362,548,390	343,048,081
Other liabilities	<u>14,552,248</u>	<u>13,492,811</u>	<u>38,336,961</u>	<u>38,897,914</u>	<u>52,889,209</u>	<u>52,390,725</u>
	<u>119,214,268</u>	<u>109,165,419</u>	<u>296,223,331</u>	<u>286,273,387</u>	<u>415,437,599</u>	<u>395,438,806</u>
Total Deferred inflows of resources	<u>5,621,727</u>	<u>6,918,890</u>	<u>5,121,532</u>	<u>6,292,652</u>	<u>10,743,259</u>	<u>13,211,542</u>
Net position:						
Investments in capital assets, net						
investment in capital assets	181,844,576	171,216,050	303,498,521	293,264,356	485,343,097	464,480,406
Restricted	23,482,162	21,505,669	-	-	23,482,162	21,505,669
Unrestricted	<u>(12,349,289)</u>	<u>(5,769,628)</u>	<u>126,397,743</u>	<u>118,145,475</u>	<u>114,048,454</u>	<u>112,375,847</u>
Total net position	<u>\$ 192,977,449</u>	<u>\$ 186,952,091</u>	<u>\$ 429,896,264</u>	<u>\$ 411,409,831</u>	<u>\$ 622,873,713</u>	<u>\$ 598,361,922</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 \$622,873,713 (*net position*). The City's net position increased by \$24,511,791 for the fiscal year ended June 30, 2020, when compared to prior year. The largest portion (78%) 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, \$23,482,162, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$114,048,454 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:

- Spending reductions during the initial stages of the COVID-19 pandemic.
- 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	
	2020	2019	2020	2019	2020	2019
Revenues						
Charges for services	\$ 8,128,368	\$ 11,725,556	\$ 266,167,539	\$ 277,058,214	\$ 274,295,907	\$ 288,783,770
Operating grants and contributions	4,905,153	3,016,824	1,563,374	3,149,231	6,468,527	6,166,055
Capital grants and contributions	10,347,775	8,774,719	6,785,591	2,750,954	17,133,366	11,525,673
General Revenues:						
Ad valorem taxes	35,976,479	34,884,210	-	-	35,976,479	34,884,210
Other taxes	28,625,401	29,085,025	-	-	28,625,401	29,085,025
Other	4,247,128	8,815,399	4,016,192	3,558,759	8,263,320	12,374,158
Total Revenues	92,230,304	96,301,733	278,532,696	286,517,158	370,763,000	382,818,891
Expenses						
General governmental	34,035,164	29,324,390	-	-	34,035,164	29,324,390
Public Safety	30,706,175	27,550,574	-	-	30,706,175	27,550,574
Transportation	7,162,225	10,309,377	-	-	7,162,225	10,309,377
Environmental protection	-	1,229,488	-	-	-	1,229,488
Cultural and recreation	10,194,254	9,392,847	-	-	10,194,254	9,392,847
Economic and physical development	9,058,083	10,373,498	-	-	9,058,083	10,373,498
Interest and fees	1,163,220	1,112,954	-	-	1,163,220	1,112,954
Electric	-	-	167,599,499	168,797,235	167,599,499	168,797,235
Water	-	-	20,723,956	19,298,173	20,723,956	19,298,173
Sewer	-	-	22,841,100	21,502,927	22,841,100	21,502,927
Gas	-	-	29,175,629	32,532,222	29,175,629	32,532,222
Public Transportation	-	-	3,062,814	3,018,862	3,062,814	3,018,862
Stormwater Utility	-	-	3,192,728	4,709,366	3,192,728	4,709,366
Sanitation	-	-	7,336,362	7,385,565	7,336,362	7,385,565
Total Expense	92,319,121	89,293,128	253,932,088	257,244,350	346,251,209	346,537,478
Increase (decrease) in net position before transfers	(88,817)	7,008,605	24,600,608	29,272,808	24,511,791	36,281,413
Transfers	6,114,175	6,195,920	(6,114,175)	(6,195,920)	-	-
Increase in net position	6,025,358	13,204,525	18,486,433	23,076,888	24,511,791	36,281,413
Net position, July 1	186,952,091	173,747,566	411,409,831	388,332,943	598,361,922	562,080,509
Net position, June 30	\$ 192,977,449	\$ 186,952,091	\$ 429,896,264	\$ 411,409,831	\$ 622,873,713	\$ 598,361,922

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

Governmental Activities: Governmental activities increased the City's net position by \$6,025,358. Of total net position, governmental activities accounted for \$192,977,449, or 31%. Key elements of this increase are as follows:

- Property tax remained stable for Fiscal Year 2020, increasing 3%. However, sales tax decreased 1% in Fiscal Year 2020. The sales tax decrease is related to the initial effects of the COVID-19 pandemic on the local economy, resulting in temporary retail and restaurant closures in the City.

Business-Type Activities:

- Of the \$622,873,713 total net position, the Greenville Utilities Commission has net position of \$408,931,213, or 66% as of June 30, 2020. Of this amount, \$115,425,003 (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 48% of total Commission expenses for the fiscal year. Overall, business-type activities increased the City of Greenville's net position by \$18,486,433, of which the Commission contributes 78% of that change. Operating revenues for GUC decreased by \$10,908,139 or 4.2% and total revenues decreased by \$6,738,352 or 2.5%.
- Stormwater had revenues of \$6,102,630 for Fiscal Year 2020, a decrease less than 1%. Operating expenses decreased 31.76%, due to a decrease in use of on call contracts for stormwater pipe repairs. Overall, Stormwater net position increased a total of \$4,167,217 for Fiscal Year 2020.

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 \$16,375,905, while total fund balance was \$25,764,762. 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 19.2% of total General Fund expenditures, while total fund balance represents 30.3% 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, 2020, the governmental funds of the City of Greenville reported a combined fund balance of \$44,257,372 which is a 9.3% increase 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 \$3,049,557. When compared to the adjustments proposed last year, this is a 151% increase. The decrease is due to the City appropriating available fund balance and transferring additional funds for capital projects in FY 2020.

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

The General Fund's operational revenues exceeded expenditures by \$7,126,769 (before other financing sources). General Fund total revenues increased 1.2%. Operational expenditures increased \$510,848, or less than 1%. Inclusive of other financing sources and uses, General Fund revenues exceeded expenditures by \$1,811,322, increasing \$756,669 from FY 2019's net result.

While the budget amendments for the year amounted to approximately \$3,049,554, actual operating revenues remained within budget by a less than 1%. Though they remained within budget in total, operational revenues were impacted by COVID-19, seeing taxes increase at a much lower rate than previous years, and sales and services negatively affected by decreased recreation fees received during the pandemic.

General Fund expenditures increased 1.6% in comparison to the prior year with most expenditure category variances being less than 5%. The increase was driven by an increase in transfers to capital project funds in the current fiscal year.

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 net investment in capital assets for its governmental and business-type activities as of June 30, 2020, totals \$697,707,735 (net of accumulated depreciation and related debt). 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 - \$12,052,059
- Street Resurfacing - \$3,842,014
- Sycamore Hill Gateway Plaza - \$1,771,886

Utilities Commission major capital asset events included:

- Investment in a new operations center totaling \$13,105,248
- Upgrades to the downtown office totaling \$2,102,046
- Electric transmission lines extensions and improvements totaling \$1,593,929
- Electric transmission substation improvements totaling \$129,902
- Electric overhead distribution lines extensions and improvements totaling \$1,219,257
- Electric underground distribution lines extensions and improvements totaling \$5,739,140
- Electric street and area light installations and replacements totaling \$1,142,541
- Water treatment plant improvements totaling \$4,262,032
- Water mains and services improvements and extensions totaling \$412,101
- Wastewater treatment plant improvements totaling \$408,257
- Sewer pumping stations improvements totaling \$1,588,244
- Sewer main extensions and improvements totaling \$473,081
- Natural gas main improvements and extensions totaling \$615,339
- Natural gas distribution services improvements totaling \$291,381

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

City of Greenville's Capital Assets
Figure 4

	Government Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 42,283,922	\$ 42,137,413	\$ 8,546,447	\$ 8,375,720	\$ 50,830,369	\$ 50,513,133
Right-of-Way Easement	12,560,317	10,732,117	584,662	584,662	13,144,979	11,316,779
Construction in Progress	13,438,631	32,468,175	86,483,024	40,052,938	99,921,655	72,521,113
Buildings/Plants	86,988,471	69,203,177	193,352,622	185,558,373	280,341,093	254,761,550
Other Improvements	8,791,941	6,342,266	3,562,298	3,562,298	12,354,239	9,904,564
Intangible	2,022,400	2,022,400	33,024,318	32,809,859	35,046,718	34,832,259
Infrastructure	110,288,662	96,209,621	13,302,116	11,992,538	123,590,778	108,202,159
Machinery and Equipment	21,738,364	21,011,208	4,977,490	4,338,719	26,715,854	25,349,927
Land Rights	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-
Vehicles and Equipment	39,415,080	36,340,337	37,396,551	35,712,812	76,811,631	72,053,149
Distribution Systems	-	-	491,117,517	475,042,385	491,117,517	475,042,385
Transmission Systems	-	-	46,944,592	42,832,321	46,944,592	42,832,321
Subtotal	<u>337,527,788</u>	<u>316,466,714</u>	<u>919,291,637</u>	<u>840,862,625</u>	<u>1,256,819,425</u>	<u>1,157,329,339</u>
Accumulated Depreciation	<u>(123,323,677)</u>	<u>(116,090,996)</u>	<u>(435,788,013)</u>	<u>(412,862,096)</u>	<u>(559,111,690)</u>	<u>(528,953,092)</u>
Capital assets, net	<u>\$ 214,204,111</u>	<u>\$ 200,375,718</u>	<u>\$ 483,503,624</u>	<u>\$ 428,000,529</u>	<u>\$ 697,707,735</u>	<u>\$ 628,376,247</u>

Long-Term Debt: As of June 30, 2020, the City of Greenville had total debt outstanding of \$232,762,344 excluding compensated absences, Local Governmental Employees' Retirement System (LGERS), Other Post-Employment Benefits (OPEB), and Law Enforcement Officers' (LEO) Separation Allowance. Of this, \$37,885,763 is government debt 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	
	2020	2019	2020	2019	2020	2019
General Obligation Bonds	\$ 21,562,684	\$ 13,504,016	\$ 2,373,599	\$ 2,739,371	\$ 23,936,283	\$ 16,243,387
Special Obligation (Revenue) Bonds	4,295,000	4,880,000	129,132,468	117,953,000	133,427,468	122,833,000
Installment Purchase Contracts	12,028,079	14,725,004	330,003	487,145	12,358,082	15,212,149
Other Debt (GUC)	-	-	63,040,511	69,743,751	63,040,511	69,743,751
Total	\$ 37,885,763	\$ 33,109,020	\$ 194,876,581	\$ 190,923,267	\$ 232,762,344	\$ 224,032,287

- 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 \$8,730,057 during the current fiscal year. The City’s total debt, excluding GUC, increased by \$20,567,591 during the current fiscal year.
- As of June 30, 2020 the City reaffirmed 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 \$531M.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

Budgeting for fiscal year 2021 has been significantly impacted by the effects of COVID-19. The City has grown from a population of 84,554 in 2010 to 93,400, which represents an increase of 10.5%.

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. Although staff is seeing some revenues impacted by the effects of the pandemic, the budget targeted reductions to minimize interruptions in service levels, while still providing key capital project funding 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, limited revenue enhancements, and most recently, the effects of the COVID-19 pandemic. For FY 2021, the budget process continued to focus on revenue projections and remaining departmental budget appropriations at the close of the fiscal year. Revenues for FY 2021 were initially planned to increase based on current trends, however, were ultimately reduced due to anticipated revenue shortfalls as a result of the pandemic. In addition, the property tax rate was reduced to \$0.4945, resulting in property tax revenues anticipated to generate \$35,594,992, roughly 44% of the total General Fund revenues. Sales tax revenues are projected to decrease 20% from the FY 2020 collections due to the anticipated effects of the COVID-19 pandemic.

The Utilities Commission service area includes a diverse local economy including a solid manufacturing base, the 3rd largest university in the state and a 974 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 2021 budget is \$7,000,000.

BUDGET HIGHLIGHTS FOR THE FISCAL YEAR ENDING JUNE 30, 2021

Governmental Activities: The General Fund is the City's primary general government operating fund and is budgeted at \$81,014,084 for FY 2021, a 5.45% decrease when compared to the prior year's adopted amount of \$85,687,681. While \$8 million in General Fund adjustments to offset the reduction in revenue due to the COVID-19, this budget continues the commitment to an increased investment in city infrastructure, community revitalization, economic development, and public safety. Management will continue to take a cautious approach to the FY 2021 budget, with the following considerations/strategies as follows:

- Continued emphasis on capital investments and infrastructure improvements
- Strategically reducing expenditures in areas that minimize the impact on core public services

Below is a forecast for major sources of the City's General Fund revenues. The following sources make up approximately 73% of the revenue stream:

- **Property Taxes**
 - Pitt County completed a property revaluation in January 2020 to revalue all property to its respective market value. For Tax Year 2020-2021, the assessed value for the City of Greenville is estimated at approximately \$7,591,216,529. For Tax Year 2019-2020, the City of Greenville's assessed value was \$6,749,704,702. This represents an increase in value of \$841,511,827, or 10.2%, over the four-year period, accounting for normal growth. The adopted budget for FY 2021 is anticipated to produce total property tax revenues of \$35,594,992, or 44% of the total General Fund, at the tax rate of 49.45¢, a reduction of 2.55¢. The amount of projected tax collections based on the 2019-20 rate of 52¢ is \$2.44 million more than projected tax collections based on the revenue neutral rate of 47.7¢. For FY 2021, each 1¢ of the tax rate is anticipated to generate \$719,818.
- **Sales Tax**
 - This revenue source is projected to generate 20% of total General Fund revenues in FY 2021. Improvements in the economy and local construction have traditionally been the driving forces behind the steady increase in sales tax revenues. However, a 25% reduction was included in FY 2021 due to an anticipated decrease in economic activity related to the COVID-19 pandemic. For the FY 2021 budget, sales tax revenues are projected to be \$16,366,718, a roughly 20% decrease from the FY 2020 budget. COVID-19 Sales Tax is historically difficult to project because it is a State-collected and distributed revenue. Staff will continue to monitor this revenue source throughout the first-half of the fiscal year, and adjust appropriations as each additional month of receipts are received.

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 \$7,000,000, a 1.4% decrease from the budgeted amount in the previous year.

- **Appropriated Fund Balance**

- The final revenue source that should be noted is appropriated fund balance. The FY 2021 budget includes \$618,000 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.

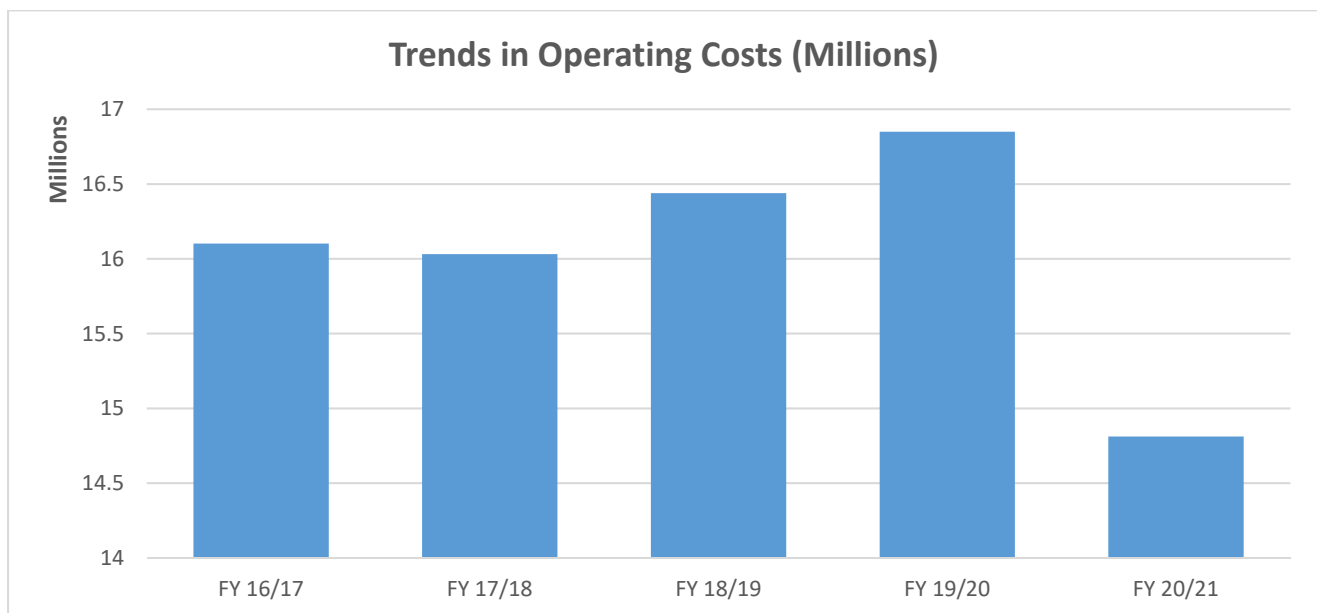
Below are highlights of the City’s General Fund expenditures:

- **Personnel**

In the adopted FY 2021 budget, personnel costs (including salaries and fringe benefits) make up almost 68% of the total budget. The personnel budget for FY 2021 is \$54.8 million, a \$451,788 decrease compared to FY 2020. This decrease was a result of no merit/market increases for employees, as well as a hiring freeze on all open positions, to account for the necessary expenditure decreases to coincide with the COVID-related revenue reductions. Reductions in part-time and overtime salaries were also planned, as a result operational changes related to COVID-19.

- **Operations**

This category makes up 18.3% of the total budget and represents a decrease of 12.2% from FY 2020 due to reductions made as a result of COVID-19. For FY 2021, Operating Costs are budgeted at \$14,811,261.



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

Business-Type Activities: The Utilities Commission service area includes a diverse local economy including a solid manufacturing base, the 3rd largest university in the state and a 974 licensed bed teaching hospital that serves more than 1.4 million people in 29 counties of Eastern North Carolina. The Utilities Commission provides services in the Greenville metropolitan statistical area, including Greenville, the 11th largest city in North Carolina. The Utilities Commission serves approximately 75% of the county and the service area continues to expand. New customer accounts added during the year were more than forty percent higher than new accounts added the previous year reflecting new construction and growth in the local economy. The Utilities Commission's budget for fiscal year 2021 was developed anticipating continuing customer growth, a vibrant 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 Utilities Commission's vision to provide safe, innovative, and sustainable utility solutions that serve as the foundation of growth for the Greenville region.

The pandemic has been and continues to be a major economic impact for the Utilities Commission. The hospitality industry has been particularly hard hit by COVID-19 and many restaurants and various service providers have curtailed or ceased operations. Revenues however have remained steady due to the diversity and strength of the customer base. Collections of accounts receivable have been higher than anticipated. Approximately 10% of customers have delayed payments due to restrictions on service curtailments and some aging of accounts has occurred. The Utilities Commission expects to collect most of the receivables in the upcoming year. The Utilities Commission has continued capital improvement and expansion plans and expect that economic conditions will improve with some growth in the new fiscal year.

- Annual turnover or transfer of \$6,468,493 to the City of Greenville in accordance with the Charter issued by the North Carolina General Assembly
- **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. FY 2021 will see the continued implementation of increased preventative maintenance of stormwater infrastructure, and further planning for increased capital project and infrastructure spending. While continuing the implementation of the Watershed Master Plan, the Stormwater Utility is also entering the second year of a preventative maintenance program. The stormwater utility fees are projected to generate revenues of \$6,059,820.

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

- **Public Transportation Fund**
The Public Transportation Fund is an enterprise fund established to operate the Greenville Area Transit System. The majority of revenues for this fund are generated by federal grant income requiring a local match. However, for FY 2021, the City has been approved for fully reimbursable funding through the CARES Act to maintain Transit operations. Although there have been slight modifications to service and procedures to enhance the safety of the public and bus drivers as a result of COVID-19, transit operations remain largely unchanged. The total budget amount for the fund is \$3,230,676, a slight reduction from \$3,288,032 million in FY 2020.

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, 2020

CITY OF GREENVILLE, NORTH CAROLINA
STATEMENT OF NET POSITION

Exhibit A

JUNE 30, 2020

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and investments	\$ 38,079,777	\$ 158,984,751	\$ 197,064,528
Taxes receivable, net	327,240	-	327,240
Accounts receivable, net	4,122,553	29,591,801	33,714,354
Interest receivable	1,132	-	1,132
Due from other governments	3,404,786	2,227,920	5,632,706
Inventories	5,896	8,290,002	8,295,898
Prepaid items	337,166	242,891	580,057
Internal balances	342,458	(342,458)	-
Restricted cash and investments	15,546,566	23,630,694	39,177,260
Notes receivable	-	225,986	225,986
Investment in joint venture	28,896,076	-	28,896,076
Capital assets:			
Non-depreciable	68,282,869	95,614,133	163,897,002
Depreciable, net	145,921,242	387,889,491	533,810,733
Total assets	<u>305,267,761</u>	<u>706,355,211</u>	<u>1,011,622,972</u>
Deferred Outflows of Resources:			
Pension deferrals	10,110,044	8,268,543	18,378,587
OPEB deferrals	1,920,196	15,125,688	17,045,884
Unamortized bond refunding charges	515,443	1,491,685	2,007,128
Total deferred outflows of resources	<u>12,545,683</u>	<u>24,885,916</u>	<u>37,431,599</u>
Liabilities:			
Accounts payable and accrued liabilities	6,854,165	19,814,334	26,668,499
Accrued interest payable	114,322	1,684,183	1,798,505
Other liabilities	453,168	-	453,168
Advances from grantors	198,714	-	198,714
Unearned revenue	-	137,250	137,250
Liabilities payable from restricted assets:			
Accounts payable and accrued liabilities	372,600	-	372,600
Customer deposits	-	4,563,514	4,563,514
Long-term liabilities:			
Due within one year	6,559,279	12,137,680	18,696,959
Due in more than one year	104,662,020	257,886,370	362,548,390
Total liabilities	<u>119,214,268</u>	<u>296,223,331</u>	<u>415,437,599</u>
Deferred Inflows of Resources:			
Pension deferrals	751,756	127,350	879,106
OPEB deferrals	4,869,970	4,994,182	9,864,152
Total deferred inflows of resources	<u>5,621,727</u>	<u>5,121,532</u>	<u>10,743,259</u>
Net Position:			
Net investment in capital assets	181,844,576	303,498,521	485,343,097
Restricted for:			
Stabilization by State statute	8,259,353	-	8,259,353
Restricted for streets	376,486	-	376,486
General government	103,690	-	103,690
Economic development	6,660,311	-	6,660,311
Public safety	560,076	-	560,076
Cultural and recreational	62,864	-	62,864
Donations	268,595	-	268,595
Debt Service	1,724,696	-	1,724,696
Insurance	5,466,091	-	5,466,091
Unrestricted	(12,349,289)	126,397,743	114,048,454
Total net position	<u>\$ 192,977,449</u>	<u>\$ 429,896,264</u>	<u>\$ 622,873,713</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, 2020

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	\$ 34,035,164	\$ 1,609,578	\$ 730,364	\$ -	\$ (31,695,222)	\$ -	\$ (31,695,222)
Public safety	30,706,175	5,577,363	35,364	-	(25,093,448)	-	(25,093,448)
Transportation	7,162,225	126,609	-	2,174,190	(4,861,426)	-	(4,861,426)
Cultural and recreational	10,194,254	814,818	1,002,731	5,727,026	(2,649,679)	-	(2,649,679)
Economic and physical development	9,058,083	-	3,136,694	2,446,559	(3,474,830)	-	(3,474,830)
Interest and fees	1,163,220	-	-	-	(1,163,220)	-	(1,163,220)
Total governmental activities	<u>92,319,121</u>	<u>8,128,368</u>	<u>4,905,153</u>	<u>10,347,775</u>	<u>(68,937,825)</u>	<u>-</u>	<u>(68,937,825)</u>
Business-Type Activities:							
Electric	167,599,499	171,665,223	-	-	-	4,065,724	4,065,724
Water	20,723,956	23,933,824	-	942,272	-	4,152,140	4,152,140
Sewer	22,841,100	24,484,289	-	4,586,004	-	6,229,193	6,229,193
Gas	29,175,629	31,842,253	-	-	-	2,666,624	2,666,624
Public transportation	3,062,814	278,106	1,563,374	-	-	(1,221,334)	(1,221,334)
Stormwater utility	3,192,728	6,102,630	-	1,257,315	-	4,167,217	4,167,217
Sanitation	7,336,362	7,861,214	-	-	-	524,852	524,852
Total business-type activities	<u>253,932,088</u>	<u>266,167,539</u>	<u>1,563,374</u>	<u>6,785,591</u>	<u>-</u>	<u>20,584,416</u>	<u>20,584,416</u>
Total primary government	<u>\$ 346,251,209</u>	<u>\$ 274,295,907</u>	<u>\$ 6,468,527</u>	<u>\$ 17,133,366</u>	<u>(68,937,825)</u>	<u>20,584,416</u>	<u>(48,353,409)</u>
General Revenues:							
Ad valorem taxes					35,976,479	-	35,976,479
Sales and use taxes					15,780,639	-	15,780,639
Cable TV franchise tax					772,501	-	772,501
Medicaid hold harmless payment					4,684,870	-	4,684,870
Rental vehicle, gross receipts					162,110	-	162,110
Utilities franchise tax					6,832,754	-	6,832,754
Beer and wine tax					392,527	-	392,527
Other taxes and licenses					1,106,991	-	1,106,991
Investment earnings					3,140,137	4,016,192	7,156,329
Total general revenues					<u>68,849,008</u>	<u>4,016,192</u>	<u>72,865,200</u>
Transfers					<u>6,114,175</u>	<u>(6,114,175)</u>	<u>-</u>
Total general revenues and transfers					<u>74,963,183</u>	<u>(2,097,983)</u>	<u>72,865,200</u>
Change in net position					6,025,358	18,486,433	24,511,791
Net position, beginning of year					<u>186,952,091</u>	<u>411,409,831</u>	<u>598,361,922</u>
Net position, end of year					<u>\$ 192,977,449</u>	<u>\$ 429,896,264</u>	<u>\$ 622,873,713</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, 2020

	General	Nonmajor Governmental Funds	Total Governmental Funds
Assets:			
Cash and cash equivalents	\$ 23,622,359	\$ 11,120,543	\$ 34,742,902
Taxes receivable, net	327,240	-	327,240
Accounts receivable, net	2,597,831	1,228,977	3,826,808
Interest receivable	-	1,132	1,132
Due from other funds	2,552,733	-	2,552,733
Due from other governments	3,361,257	42,529	3,403,786
Inventories	5,896	-	5,896
Prepaid items	38,750	84,284	123,034
Restricted cash and investments	1,040,253	9,040,222	10,080,475
Total assets	\$ 33,546,319	\$ 21,517,687	\$ 55,064,006
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable and accrued liabilities	\$ 3,840,462	\$ 1,170,262	\$ 5,010,724
Due to other funds	-	996,417	996,417
Advances from grantors	-	198,714	198,714
Other liabilities	453,168	-	453,168
Restricted accounts payable and accrued liabilities	-	372,600	372,600
Total liabilities	4,293,630	2,737,993	7,031,623
Deferred Inflows of Resources:			
Property taxes receivable	327,240	-	327,240
Prepaid property taxes	-	-	-
Other receivables	3,160,687	287,084	3,447,771
Total deferred inflows of resources	3,487,927	287,084	3,775,011
Fund Balances:			
Nonspendable:			
Prepaid items and inventories	44,646	84,284	128,930
Loans receivable	14,700	-	14,700
Restricted:			
Stabilization by State statute	6,036,240	2,223,113	8,259,353
Restricted for general government	103,690	-	103,690
Restricted for streets	376,486	-	376,486
Restricted for public safety	560,076	-	560,076
Restricted for economic development	-	6,660,311	6,660,311
Restricted for cultural and recreational	-	62,864	62,864
Restricted for debt service	-	1,724,696	1,724,696
Restricted for donations	-	268,595	268,595
Restricted for loans receivable	-	-	-
Committed:			
Committed for catastrophic losses	2,253,019	-	2,253,019
Committed for general government	-	136,880	136,880
Committed for culture and recreational	-	923,613	923,613
Committed for public safety	-	409,601	409,601
Committed for economic development	-	684,581	684,581
Committed for capital outlay	-	5,913,686	5,913,686
Assigned:			
Assigned for subsequent year's expenditures	300,000	23,801	323,801
Assigned for cultural and recreational	-	928,359	928,359
Unassigned	16,075,905	(1,551,774)	14,524,131
Total fund balance	25,764,762	18,492,610	44,257,372
Total liabilities, deferred inflows of resources, and fund balances	\$ 33,546,319	\$ 21,517,687	\$ 55,064,006

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, 2020

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

Ending fund balance - governmental funds	\$ 44,257,372
Capital assets used in governmental activities are not financial and, therefore, are not reported in the funds.	196,966,310
Investment in joint venture reported in governmental activities is not reported in the funds.	28,896,076
Net LGERS pension liability is not reported in the funds.	(15,788,444)
Deferred outflows of resources related to pensions are not reported in the funds	9,842,867
Deferred outflows of resources related to OPEB are not reported in the funds	1,863,757
Other long-term assets are not available to pay for current expenditures and, therefore, are deferred outflows of resources.	3,775,010
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.	21,858,241
Long-term liabilities and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(41,142,663)
Total LEOSA Pension Liabilities	(8,202,185)
Net OPEB Liability	(44,280,305)
Deferred inflows of resources related to pensions are not reported in the funds.	(742,879)
Deferred inflows of resources related to OPEB are not reported in the funds.	(4,726,829)
Deferred charges on refunding reported in governmental activities are not reported in the funds.	515,443
Other long-term liabilities (accrued interest) are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(114,322)</u>
Net position of governmental activities	<u>\$ 192,977,449</u>

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

CITY OF GREENVILLE, NORTH CAROLINA

Exhibit D

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2020

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:			
Ad valorem taxes	\$ 35,828,631	\$ -	\$ 35,828,631
Other taxes	21,638,192	813,723	22,451,915
Unrestricted intergovernmental	7,280,477	-	7,280,477
Restricted intergovernmental	3,003,210	5,421,860	8,425,070
Licenses, permits, and fees	4,005,853	-	4,005,853
Sales and services	4,538,751	-	4,538,751
Investment earnings	1,789,127	82,937	1,872,064
Other revenues	970,424	937,455	1,907,879
Restricted other revenues	-	163,377	163,377
Total revenues	<u>79,054,665</u>	<u>7,419,352</u>	<u>86,474,017</u>
Expenditures:			
Current:			
General government	11,933,205	897,994	12,831,199
Public safety	39,719,325	575,628	40,294,953
Public works	10,242,327	3,842,014	14,084,341
Cultural and recreational	7,184,198	5,614,933	12,799,131
Economic and physical development	2,848,841	6,889,315	9,738,156
Debt Service:			
Principal retirement	-	4,444,501	4,444,501
Interest and fees	-	1,068,195	1,068,195
Total expenditures	<u>71,927,896</u>	<u>23,332,580</u>	<u>95,260,476</u>
Revenues over (under) expenditures	<u>7,126,769</u>	<u>(15,913,228)</u>	<u>(8,786,459)</u>
Other Financing Sources (Uses):			
Transfers from other funds	7,851,887	12,867,100	20,718,987
Transfers to other funds	(13,167,334)	(3,613,552)	(16,780,886)
Premium received on long-term debt issued	-	781,955	781,955
Bond proceeds	-	7,850,000	7,850,000
Total other financing sources (uses)	<u>(5,315,447)</u>	<u>17,885,503</u>	<u>12,570,056</u>
Net change in fund balance	1,811,322	1,972,275	3,783,597
Fund Balance:			
Fund balance, beginning of year – July 1	<u>23,953,440</u>	<u>16,520,335</u>	<u>40,473,775</u>
Fund balance, end of year – June 30	<u>\$ 25,764,762</u>	<u>\$ 18,492,610</u>	<u>\$ 44,257,372</u>

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

CITY OF GREENVILLE, NORTH CAROLINA

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, 2020

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	\$ 3,783,597
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.	14,045,427
Other capital contributions are not reported in the governmental fund statement.	5,727,026
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(4,987,227)
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.	(2,232,426)
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	(397,529)
Pension expense	(5,935,735)
OPEB plan expense	(3,841,093)
Employer contributions	3,316,378
Contributions to the pension plan in the current fiscal year are not included in the Statement of Activities.	2,628,007
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.	(17,041)
Proceeds from the issuance of long-term debt are reported as other financing sources in the governmental funds statement. However, in the Statement of Activities, it is an increase in liabilities	(7,850,000)
Proceeds from bond premium	(781,955)
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.	(9,771)
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.	4,429,542
Loss on disposal of capital assets is reported in the Statement of Activities but not the funds statement.	(1,262,510)
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.	1,268,073
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>(1,737,344)</u>
Changes in net position of governmental activities	<u>\$ 6,025,358</u>

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

GENERAL FUND

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

YEAR ENDED JUNE 30, 2020

	General Fund			
	Budget		Actual Amounts	Variance Positive/ Negative
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 35,875,813	\$ 35,875,813	\$ 35,828,631	\$ (47,182)
Other taxes	21,439,148	21,439,148	21,638,192	199,044
Unrestricted intergovernmental	7,598,143	7,598,143	7,280,477	(317,666)
Restricted intergovernmental	2,818,702	3,248,999	3,003,210	(245,789)
Licenses, permits, and fees	3,464,880	3,464,880	4,005,853	540,973
Sales and services	5,015,974	4,959,974	4,538,751	(421,223)
Investment earnings	850,000	850,000	1,789,127	939,127
Other revenues	1,057,156	1,210,950	970,424	(240,526)
Total revenues	<u>78,119,816</u>	<u>78,647,907</u>	<u>79,054,665</u>	<u>406,758</u>
Expenditures:				
Current:				
General government	11,096,482	11,935,117	11,933,205	1,912
Public safety	41,623,269	41,816,534	39,719,325	2,097,209
Public works	10,709,898	11,094,178	10,242,327	851,851
Cultural and recreational	7,378,046	7,628,418	7,184,198	444,220
Economic and physical development	3,002,499	3,095,657	2,848,841	246,816
Total expenditures	<u>73,810,194</u>	<u>75,569,904</u>	<u>71,927,896</u>	<u>3,642,008</u>
Revenues over (under) expenditures	<u>4,309,622</u>	<u>3,078,003</u>	<u>7,126,769</u>	<u>4,048,766</u>
Other Financing Sources (Uses):				
Transfers from other funds	6,599,865	7,801,635	7,851,887	50,252
Transfers to other funds	(11,777,487)	(13,167,334)	(13,167,334)	-
Contingency	(100,000)	-	-	-
Appropriated fund balance	968,000	2,287,696	-	(2,287,696)
Total other financing sources (uses)	<u>(4,309,622)</u>	<u>(3,078,003)</u>	<u>(5,315,447)</u>	<u>(2,237,444)</u>
Net change in fund balance	\$ -	\$ -	1,811,322	\$ 1,811,322
Fund Balance:				
Fund balance, beginning of year – July 1			23,953,440	
Fund balance, end of year – June 30			<u>\$ 25,764,762</u>	

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

Exhibit G

JUNE 30, 2020

	Major Enterprise Funds				
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Stormwater Fund
Assets:					
Current Assets:					
Cash and cash equivalents	\$ 49,595,880	\$ 6,350,048	\$ 12,126,204	\$ 17,472,791	10,441,485
Accounts receivable, net	18,260,042	2,478,284	2,566,183	1,853,543	2,940,028
Due from other governments	1,336,408	327,532	349,864	213,236	-
Due from other funds	-	-	-	-	-
Inventories	6,436,428	913,812	221,447	718,315	-
Restricted cash	3,329,363	775,280	1,469	457,402	-
Prepaid items	178,290	14,071	13,961	24,219	-
Total current assets	<u>79,136,411</u>	<u>10,859,027</u>	<u>15,279,128</u>	<u>20,739,506</u>	<u>13,381,513</u>
Noncurrent Assets:					
Cash and cash equivalents, restricted	4,479,653	7,100,721	6,097,699	1,389,107	-
Investments	33,981,553	5,808,897	9,173,997	11,513,712	-
Notes receivable	-	225,986	-	-	-
Land improvements and construction in progress	31,922,537	15,486,564	11,733,252	8,476,397	27,995,383
Other capital assets, net	108,689,129	81,995,252	143,053,463	41,249,875	10,792,319
Total noncurrent assets	<u>179,072,872</u>	<u>110,617,420</u>	<u>170,058,411</u>	<u>62,629,091</u>	<u>38,787,702</u>
Total assets	<u>258,209,283</u>	<u>121,476,447</u>	<u>185,337,539</u>	<u>83,368,597</u>	<u>52,169,215</u>
Deferred Outflows of Resources:					
Pension deferrals	3,029,313	1,625,485	1,551,599	1,182,171	216,716
OPEB deferrals	6,128,584	3,288,509	3,139,032	2,391,642	42,382
Unamortized bond refunding charges	369,546	509,142	487,566	71,808	53,623
Total deferred outflows of resources	<u>9,527,443</u>	<u>5,423,136</u>	<u>5,178,197</u>	<u>3,645,621</u>	<u>312,721</u>
Liabilities:					
Current Liabilities:					
Accounts payable and accrued expenses	14,560,983	1,514,358	1,314,367	1,627,912	442,264
Accrued interest payable	777,396	280,786	391,796	234,205	-
Due to other funds	76,100	732	1,000	225	-
Unearned revenue	-	56,610	80,640	-	-
Current portion of compensated absences	781,695	371,857	334,080	310,526	-
Current maturities of long-term debt	2,047,265	1,455,837	3,681,674	844,586	2,015,708
Liabilities Payable from Restricted Assets:					
Customer deposits	3,329,363	775,280	1,469	457,402	-
Total current liabilities	<u>21,572,802</u>	<u>4,455,460</u>	<u>5,805,026</u>	<u>3,474,856</u>	<u>2,457,972</u>
Noncurrent Liabilities:					
Compensated absences payable	265,397	171,761	158,786	180,449	-
Net pension liability	5,027,690	2,697,785	2,575,158	1,962,025	370,525
Net OPEB liability	22,288,744	11,959,815	11,416,186	8,698,046	1,006,937
Noncurrent portion of long-term debt	62,124,519	24,986,747	49,008,359	19,769,122	28,612,761
Total noncurrent liabilities	<u>89,706,350</u>	<u>39,816,108</u>	<u>63,158,489</u>	<u>30,609,642</u>	<u>29,990,223</u>
Total liabilities	<u>111,279,152</u>	<u>44,271,568</u>	<u>68,963,515</u>	<u>34,084,498</u>	<u>32,448,195</u>
Deferred Inflows of Resources:					
Pension deferrals	38,283	20,542	19,608	14,940	10,470
OPEB deferrals	1,862,607	999,447	954,018	726,872	107,488
Total deferred inflows of resources	<u>1,900,890</u>	<u>1,019,989</u>	<u>973,626</u>	<u>741,812</u>	<u>117,958</u>
Net Position:					
Net investment in capital assets	81,289,081	75,967,412	105,676,238	30,573,479	8,212,856
Restricted for Insurance	-	-	-	-	-
Unrestricted	73,267,603	5,640,614	14,902,357	21,614,429	11,702,927
Total net position	<u>\$ 154,556,684</u>	<u>\$ 81,608,026</u>	<u>\$ 120,578,595</u>	<u>\$ 52,187,908</u>	<u>19,915,783</u>

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

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

Exhibit G

JUNE 30, 2020

	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Assets:			
Current Assets:			
Cash and cash equivalents	\$ 2,520,184	\$ 98,506,592	\$ 3,336,875
Accounts receivable, net	1,493,721	29,591,801	295,745
Due from other governments	880	2,227,920	1,000
Due from other funds	-	-	42,743
Inventories	-	8,290,002	-
Restricted cash	-	4,563,514	5,466,091
Prepaid items	12,350	242,891	214,132
Total current assets	<u>4,027,135</u>	<u>143,422,720</u>	<u>9,356,586</u>
Noncurrent Assets:			
Cash and cash equivalents, restricted	-	19,067,180	-
Investments	-	60,478,159	-
Notes receivable	-	225,986	-
Land improvements and construction in progress	-	95,614,133	2,476,390
Other capital assets, net	2,109,453	387,889,491	14,761,411
Total noncurrent assets	<u>2,109,453</u>	<u>563,274,949</u>	<u>17,237,801</u>
Total assets	<u>6,136,588</u>	<u>706,697,669</u>	<u>26,594,387</u>
Deferred Outflows of Resources:			
Pension deferrals	663,259	8,268,543	267,177
OPEB deferrals	135,539	15,125,688	56,439
Unamortized bond refunding charges	-	1,491,685	-
Total deferred outflows of resources	<u>798,798</u>	<u>24,885,916</u>	<u>323,616</u>
Liabilities:			
Current Liabilities:			
Accounts payable and accrued expenses	354,450	19,814,334	1,843,441
Accrued interest payable	-	1,684,183	-
Due to other funds	264,401	342,458	1,256,601
Unearned revenue	-	137,250	-
Current portion of compensated absences	137,310	1,935,468	-
Current maturities of long-term debt	157,142	10,202,212	-
Liabilities Payable from Restricted Assets:			
Customer deposits	-	4,563,514	-
Total current liabilities	<u>913,303</u>	<u>38,679,419</u>	<u>3,100,042</u>
Noncurrent Liabilities:			
Compensated absences payable	58,847	835,240	-
Net pension liability	1,153,645	13,786,828	466,781
Net OPEB liability	3,220,205	58,589,933	1,340,921
Noncurrent portion of long-term debt	172,861	184,674,369	-
Total noncurrent liabilities	<u>4,605,558</u>	<u>257,886,370</u>	<u>1,807,702</u>
Total liabilities	<u>5,518,861</u>	<u>296,565,789</u>	<u>4,907,744</u>
Deferred Inflows of Resources:			
Pension deferrals	23,507	127,350	8,877
OPEB deferrals	343,750	4,994,182	143,141
Total deferred inflows of resources	<u>367,257</u>	<u>5,121,532</u>	<u>152,018</u>
Net Position:			
Net investment in capital assets	2,109,453	303,828,519	17,237,801
Restricted for Insurance	-	-	5,466,091
Unrestricted	(1,060,185)	126,067,745	(845,651)
Total net position	<u>\$ 1,049,268</u>	<u>\$ 429,896,264</u>	<u>\$ 21,858,241</u>

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

CITY OF GREENVILLE, NORTH CAROLINA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND NET POSITION

Exhibit H

YEAR ENDED JUNE 30, 2020

	Major Enterprise Funds				
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Stormwater Fund
Operating Revenues:					
Charges for services	\$ 170,060,709	\$ 23,067,101	\$ 23,828,122	\$ 31,393,615	\$ 6,102,419
Other operating revenues	502,904	109,495	113,024	98,108	211
Total operating revenues	<u>170,563,613</u>	<u>23,176,596</u>	<u>23,941,146</u>	<u>31,491,723</u>	<u>6,102,630</u>
Operating Expenses:					
Administrative and general	13,375,917	5,488,446	5,333,769	5,047,207	147,777
Operations and maintenance	15,431,585	10,306,573	9,418,417	6,285,143	2,797,671
Purchased power and gas	126,492,335	-	-	14,816,904	-
Depreciation and amortization	10,170,187	4,072,819	6,492,806	2,336,214	211,914
Claims and payments to third-party administrators	-	-	-	-	-
Total operating expenses	<u>165,470,024</u>	<u>19,867,838</u>	<u>21,244,992</u>	<u>28,485,468</u>	<u>3,157,362</u>
Operating income (loss)	<u>5,093,589</u>	<u>3,308,758</u>	<u>2,696,154</u>	<u>3,006,255</u>	<u>2,945,268</u>
Nonoperating Revenues (Expenses):					
Investment earnings	2,286,899	435,934	601,490	691,869	-
Federal grants	-	-	-	-	-
Other nonoperating revenues	1,101,610	757,228	543,143	350,530	-
Interest expense	<u>(2,129,475)</u>	<u>(856,118)</u>	<u>(1,596,108)</u>	<u>(690,161)</u>	<u>(35,366)</u>
Total nonoperating revenues (expenses)	<u>1,259,034</u>	<u>337,044</u>	<u>(451,475)</u>	<u>352,238</u>	<u>(35,366)</u>
Income (loss) before transfers and contributions	<u>6,352,623</u>	<u>3,645,802</u>	<u>2,244,679</u>	<u>3,358,493</u>	<u>2,909,902</u>
Transfers In (Out) and Capital Contributions:					
Capital contributions	-	942,272	4,586,004	-	1,257,315
Transfers from other funds	-	-	-	-	-
Transfers to other funds	<u>(4,939,838)</u>	<u>-</u>	<u>-</u>	<u>(1,714,888)</u>	<u>-</u>
Total transfers in (out) and capital contributions:	<u>(4,939,838)</u>	<u>942,272</u>	<u>4,586,004</u>	<u>(1,714,888)</u>	<u>1,257,315</u>
Change in net position	1,412,785	4,588,074	6,830,683	1,643,605	4,167,217
Net Position:					
Beginning of year – July 1	<u>153,143,899</u>	<u>77,019,952</u>	<u>113,747,912</u>	<u>50,544,303</u>	<u>15,748,566</u>
End of year – June 30	<u>\$ 154,556,684</u>	<u>\$ 81,608,026</u>	<u>\$ 120,578,595</u>	<u>\$ 52,187,908</u>	<u>\$ 19,915,783</u>

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

CITY OF GREENVILLE, NORTH CAROLINA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND NET POSITION

Exhibit H

YEAR ENDED JUNE 30, 2020

	<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
Operating Revenues:			
Charges for services	\$ 7,908,216	\$ 262,360,182	\$ 18,445,767
Other operating revenues	231,104	1,054,846	89,794
Total operating revenues	<u>8,139,320</u>	<u>263,415,028</u>	<u>18,535,561</u>
Operating Expenses:			
Administrative and general	200,274	29,593,390	1,291,866
Operations and maintenance	9,779,762	54,019,151	6,498,679
Purchased power and gas	-	141,309,239	-
Depreciation and amortization	407,432	23,691,372	3,218,172
Claims and payments to third-party administrators	-	-	11,440,262
Total operating expenses	<u>10,387,468</u>	<u>248,613,152</u>	<u>22,448,979</u>
Operating income (loss)	<u>(2,248,148)</u>	<u>14,801,876</u>	<u>(3,913,418)</u>
Nonoperating Revenues (Expenses):			
Investment earnings	-	4,016,192	-
Federal grants	1,563,374	1,563,374	-
Other nonoperating revenues	-	2,752,511	-
Interest expense	(11,708)	(5,318,936)	-
Total nonoperating revenues (expenses)	<u>1,551,666</u>	<u>3,013,141</u>	<u>-</u>
Income (loss) before transfers and contributions	<u>(696,482)</u>	<u>17,815,017</u>	<u>(3,913,418)</u>
Transfers In (Out) and Capital Contributions:			
Capital contributions	-	6,785,591	-
Transfers from other funds	790,551	790,551	2,176,074
Transfers to other funds	(250,000)	(6,904,726)	-
Total transfers in (out) and capital contributions:	<u>540,551</u>	<u>671,416</u>	<u>2,176,074</u>
Change in net position	(155,931)	18,486,433	(1,737,344)
Net Position:			
Beginning of year – July 1	<u>1,205,199</u>	<u>411,409,831</u>	<u>23,595,585</u>
End of year – June 30	<u>\$ 1,049,268</u>	<u>\$ 429,896,264</u>	<u>\$ 21,858,241</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, 2020

	Major Enterprise Funds				
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Stormwater Fund
Cash Flows from Operating Activities:					
Cash received from customers	\$ 171,910,205	\$ 23,413,643	\$ 24,163,286	\$ 31,968,043	\$ 6,037,295
Other operating receipts	2,801,869	612,311	565,380	833,407	-
Cash paid to vendors	(141,797,459)	(8,377,373)	(7,569,739)	(20,399,066)	(4,547,501)
Cash paid to employees	(11,866,514)	(6,428,954)	(6,220,823)	(5,332,829)	(1,207,999)
Payments received on loans	-	41,647	-	-	-
Net cash provided (used) by operating activities	<u>21,048,101</u>	<u>9,261,274</u>	<u>10,938,104</u>	<u>7,069,555</u>	<u>281,795</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	(4,934,295)	-	-	(1,714,888)	-
Noncapital contributions	392,414	24,209	25,049	28,996	-
Repayments (to)/from other funds	-	-	-	-	(98,767)
Federal and State grants	-	-	-	-	-
Net cash provided (used) by noncapital financing activities	<u>(4,541,881)</u>	<u>24,209</u>	<u>25,049</u>	<u>(1,685,892)</u>	<u>(98,767)</u>
Capital and Related Financing Activities:					
Acquisition and construction of capital assets	(35,010,060)	(9,849,070)	(7,950,645)	(6,147,361)	(13,676,985)
Capital grants/cash capital contributions	-	-	250,000	-	-
Capital related receipts from customers	-	415,590	440,520	-	-
Proceeds from issuance of long-term debt	-	-	-	-	23,839,566
Debt issuance costs	1,112	337	279	268	-
Repayment of principal of long-term debt	(1,350,098)	(997,319)	(3,927,485)	(578,747)	(393,291)
Interest and other debt related expenses	(1,978,485)	(820,337)	(1,592,256)	(663,443)	(27,519)
Net cash provided (used) by capital and related financing activities	<u>(38,337,531)</u>	<u>(11,250,799)</u>	<u>(12,779,587)</u>	<u>(7,389,283)</u>	<u>9,741,771</u>
Cash Flow from Investing Activities:					
Purchase of investments	(54,730,507)	(9,355,778)	(14,775,590)	(18,543,923)	-
Proceeds from sale and maturity of investments	55,328,248	8,574,448	14,082,998	17,871,558	-
Interest received on investments	1,983,043	379,959	515,560	584,922	-
Net cash provided (used) by investing activities	<u>2,580,784</u>	<u>(401,371)</u>	<u>(177,032)</u>	<u>(87,443)</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(19,250,527)	(2,366,687)	(1,993,466)	(2,093,063)	9,924,799
Cash and Cash Equivalents:					
Beginning of year – July 1	<u>76,655,423</u>	<u>16,592,736</u>	<u>20,218,838</u>	<u>21,412,363</u>	<u>516,686</u>
End of year – June 30	<u>\$ 57,404,896</u>	<u>\$ 14,226,049</u>	<u>\$ 18,225,372</u>	<u>\$ 19,319,300</u>	<u>\$ 10,441,485</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, 2020

	Major Enterprise Funds				
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Stormwater Fund
Reconciliation of Operating Income (Loss) to					
Net Cash Provided by Operating Activities:					
Operating income (loss)	\$ 5,093,589	\$ 3,308,758	\$ 2,696,154	\$ 3,006,255	\$ 2,945,268
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	10,170,187	4,072,819	6,492,806	2,336,214	211,914
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	3,014,263	492,013	628,760	910,472	(65,335)
(Increase) decrease in notes receivable	-	41,647	-	-	-
(Increase) decrease in due from other governments	448,096	60,140	121,518	80,888	-
Change in due to/from other funds	(30,108)	(132,560)	(89,725)	(16,580)	-
(Increase) decrease in inventories	363,513	107,391	5,202	(47,493)	-
(Increase) decrease in prepaids	18,803	3,965	3,740	4,729	-
Increase (decrease) in net pension liability	529,623	284,188	271,270	206,682	54,085
(Increase) decrease in deferred inflow of resources for pensions	14,998	8,048	7,681	5,853	(7,509)
(Increase) decrease in deferred inflow of resources for OPEB	(439,378)	(235,764)	(225,047)	(171,464)	(10,210)
Increase (decrease) in deferred outflow of resources for pensions	588,837	315,961	301,600	229,790	28,626
Increase (decrease) in deferred outflow of resources for OPEB	(1,902,172)	(1,020,678)	(974,284)	(742,311)	(12,800)
Increase (decrease) in accounts payable	(704,910)	(57,474)	16,753	(306,625)	(2,841,338)
Increase (decrease) in due to other governments	-	-	-	-	-
Increase (decrease) in customer deposits	(23,094)	(5,384)	(11)	(3,167)	-
Increase (decrease) in compensated absences payable	82,631	44,673	49,443	39,548	-
Increase (decrease) in net OPEB liability	3,114,026	1,670,941	1,594,989	1,215,229	(20,906)
Increase (decrease) in unearned revenue	-	(14,840)	(40,320)	-	-
Miscellaneous income	709,197	317,430	77,575	321,535	-
Net cash provided (used) by operating activities	<u>\$ 21,048,101</u>	<u>\$ 9,261,274</u>	<u>\$ 10,938,104</u>	<u>\$ 7,069,555</u>	<u>\$ 281,795</u>
Noncash Investing, Capital, and Financing Activities:					
Capital contribution	\$ -	\$ 942,272	\$ 4,336,004	\$ -	\$ 1,257,315
Amortization of loss on refunding	-	-	-	-	23,542
Total noncash investing, capital, and financing activities	<u>\$ -</u>	<u>\$ 942,272</u>	<u>\$ 4,336,004</u>	<u>\$ -</u>	<u>\$ 1,280,857</u>
Reconciliation of Cash and Cash Equivalents:					
Cash and investments, unrestricted	\$ 49,595,880	\$ 6,350,048	\$ 12,126,204	\$ 17,472,791	\$ 10,441,485
Cash and investments, restricted	7,809,016	7,876,001	6,099,168	1,846,509	-
Total cash and cash equivalents	<u>\$ 57,404,896</u>	<u>\$ 14,226,049</u>	<u>\$ 18,225,372</u>	<u>\$ 19,319,300</u>	<u>\$ 10,441,485</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, 2020

	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash Flows from Operating Activities:			
Cash received from customers	\$ 7,764,448	\$ 265,256,920	\$ 18,025,149
Other operating receipts	-	4,812,967	-
Cash paid to vendors	(5,475,192)	(188,166,330)	(17,940,865)
Cash paid to employees	(4,392,242)	(35,449,361)	(1,607,747)
Payments received on loans	-	41,647	-
Net cash provided (used) by operating activities	<u>(2,102,986)</u>	<u>46,495,843</u>	<u>(1,523,463)</u>
Cash Flows from Noncapital Financing Activities:			
Repayment of principal of long-term debt	(157,142)	(157,142)	-
Interest and other financing costs	(11,708)	(11,708)	-
Transfers from other funds	790,551	790,551	2,176,074
Transfers to other funds	(250,000)	(6,899,183)	-
Noncapital contributions	-	470,668	-
Repayments (to)/from other funds	264,401	165,634	193,056
Federal and State grants	1,563,374	1,563,374	-
Net cash provided (used) by noncapital financing activities	<u>2,199,476</u>	<u>(4,077,806)</u>	<u>2,369,130</u>
Capital and Related Financing Activities:			
Acquisition and construction of capital assets	-	(72,634,121)	(3,523,846)
Capital grants/cash capital contributions	-	250,000	-
Capital related receipts from customers	-	856,110	-
Proceeds from issuance of long-term debt	-	23,839,566	-
Debt issuance costs	-	1,996	-
Repayment of principal of long-term debt	-	(7,246,940)	-
Interest and other debt related expenses	-	(5,082,040)	-
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>(60,015,429)</u>	<u>(3,523,846)</u>
Cash Flow from Investing Activities:			
Purchase of investments	-	(97,405,798)	-
Proceeds from sale and maturity of investments	-	95,857,252	-
Interest received on investments	-	3,463,484	-
Net cash provided (used) by investing activities	<u>-</u>	<u>1,914,938</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	96,490	(15,682,454)	(2,678,179)
Cash and Cash Equivalents:			
Beginning of year – July 1	<u>2,423,694</u>	<u>137,819,740</u>	<u>11,481,145</u>
End of year – June 30	<u>\$ 2,520,184</u>	<u>\$ 122,137,286</u>	<u>\$ 8,802,966</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, 2020

	<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
Reconciliation of Operating Income (Loss) to			
Net Cash Provided by Operating Activities:			
Operating income (loss)	\$ (2,248,148)	\$ 14,801,876	\$ (3,913,418)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	407,432	23,691,372	3,218,172
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	(646,360)	4,333,813	(259,060)
(Increase) decrease in notes receivable	-	41,647	-
(Increase) decrease in due from other governments	271,488	982,130	-
Change in due to/from other funds	-	(268,973)	-
(Increase) decrease in inventories	-	428,613	-
(Increase) decrease in prepaids	-	31,237	-
Increase (decrease) in net pension liability	172,966	1,518,814	72,025
(Increase) decrease in deferred inflow of resources for pensions	(24,016)	5,055	(10,000)
(Increase) decrease in deferred inflow of resources for OPEB	(94,312)	(1,176,175)	(37,497)
Increase (decrease) in deferred outflow of resources for pensions	91,547	1,556,361	38,121
Increase (decrease) in deferred outflow of resources for OPEB	(25,437)	(4,677,682)	(11,038)
Increase (decrease) in accounts payable	10,298	(3,883,296)	(649,851)
Increase (decrease) in due to other governments	-	-	-
Increase (decrease) in customer deposits	-	(31,656)	-
Increase (decrease) in compensated absences payable	(11,810)	204,485	-
Increase (decrease) in net OPEB liability	(6,634)	7,567,645	29,083
Increase (decrease) in unearned revenue	-	(55,160)	-
Miscellaneous income	-	1,425,737	-
Net cash provided (used) by operating activities	<u>\$ (2,102,986)</u>	<u>\$ 46,495,843</u>	<u>\$ (1,523,463)</u>
Noncash Investing, Capital, and Financing Activities:			
Capital contribution	\$ -	\$ 6,535,591	\$ -
Amortization of loss on refunding	-	23,542	-
Total noncash investing, capital, and financing activities	<u>\$ -</u>	<u>\$ 6,559,133</u>	<u>\$ -</u>
Reconciliation of Cash and Cash Equivalents:			
Cash and investments, unrestricted	\$ 2,520,184	\$ 98,506,592	\$ 3,336,875
Cash and investments, restricted	-	23,630,694	5,466,091
Total cash and cash equivalents	<u>\$ 2,520,184</u>	<u>\$ 122,137,286</u>	<u>\$ 8,802,966</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, 2020

	Pension Trust Funds	Agency Fund
Assets:		
Cash and cash equivalents	\$ -	\$ 1,909
Restricted assets:		
Cash and cash equivalents	5,705,106	-
Investments:		
BlackRock MSCI ACWI EQ Index Non-lendable Fund	4,602,365	-
NC Non Pension Fixed Income	1,411,384	-
Total assets	11,718,855	\$ 1,909
Liabilities:		
Accounts payable	-	\$ 1,909
Net Position:		
Net position restricted for postemployment benefits other than pensions	\$ 11,718,855	

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

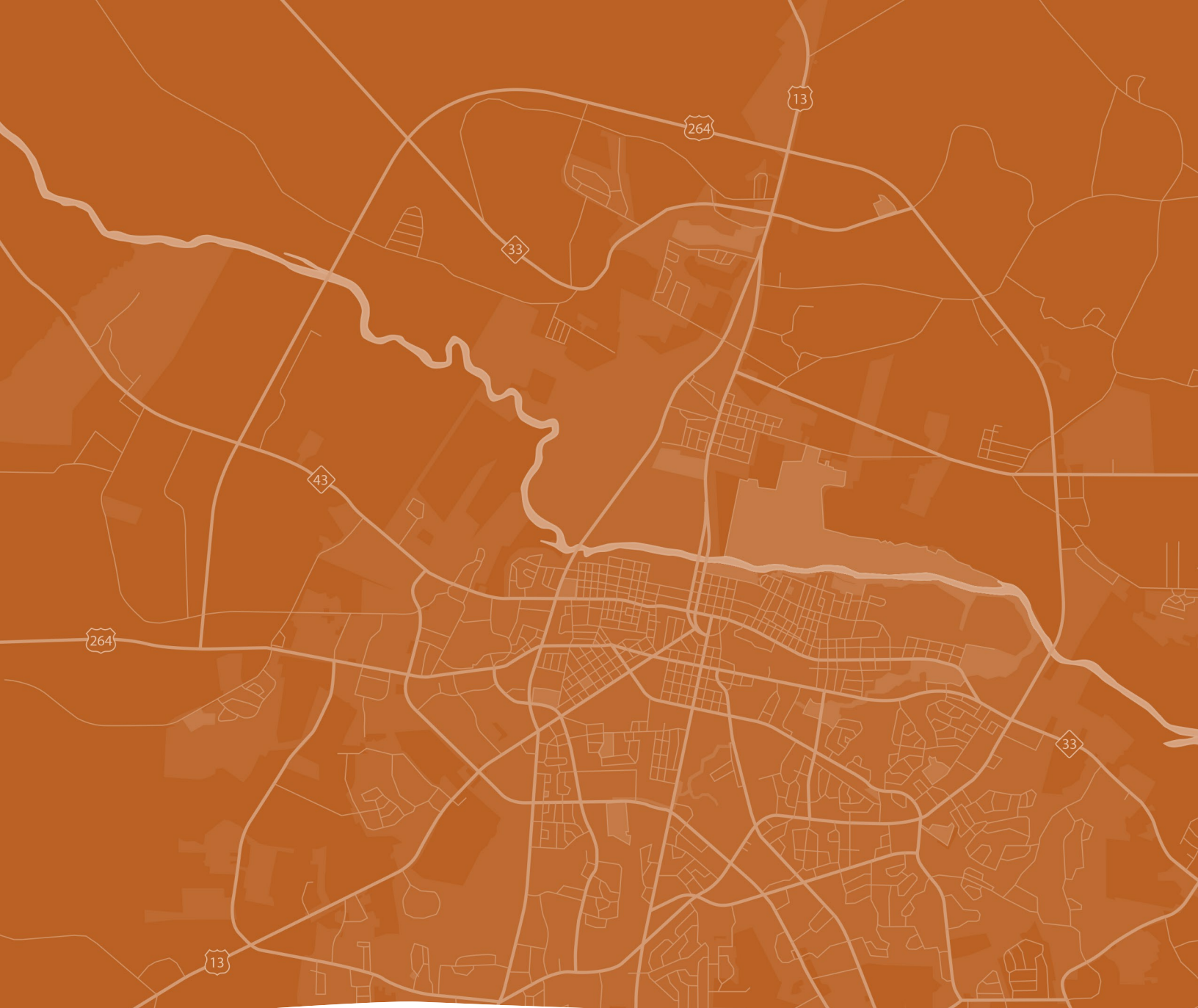
CITY OF GREENVILLE, NORTH CAROLINA
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Exhibit K

YEAR ENDED JUNE 30, 2020

	Pension Trust Funds
Additions:	
Employer contributions	\$ 6,053,735
Total contributions	<u>6,053,735</u>
Investment income:	
Interest	119,374
Net appreciation in fair value of investments	200,327
Less investment expense	(428)
Net investment income	<u>319,273</u>
Total additions	<u>6,373,008</u>
Deductions:	
Benefits	<u>4,853,735</u>
Total deductions	<u>4,853,735</u>
Change in net position	1,519,273
Net position restricted for postemployment benefits other than pensions:	
Net position, beginning of year	<u>10,199,582</u>
Net position, ending of year	<u>\$ 11,718,855</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, 2020

CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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 93,400. 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 two fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

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

CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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.

Stormwater Utility Fund. This fund is used to account for the operation of the stormwater system.

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 two nonmajor enterprise funds: Public Transportation 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 Fund, FEMA Fund and Donations Fund.

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, 2020, the City has eleven 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, Engineering Capital Projects Fund, Community Development Capital Projects Fund, Information Technology Capital Projects Fund, Fire and Rescue Capital Projects Fund, Police Capital Projects Fund, and Capital Reserve Fund.

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, 2020

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. The City maintains a Red Light Camera Fund for revenue from red light citations that is required to be remitted to the Pitt County Board of Education.

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, 2020

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.

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, 2020

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, 2020, 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 \$23.107392 per share at June 30, 2020.

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, 2020

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	\$	103,690
Streets		376,486
Public safety		560,077

Nonmajor Governmental funds:

Economic and physical development	1,613,113
Debt service	1,724,696
Unexpended debt proceeds	5,010,785
Unexpended grant proceeds	423,033
Unexpended donations	268,595

Internal Service Fund:

Self-insurance	5,466,091
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Total Governmental Activities	\$	15,546,566
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Business-Type Activities:

Cash:

Greenville Utilities Commission:

Customer deposits	\$	4,563,514
Unexpended bond proceeds		13,379,788
Unexpended capacity fees		4,079,714
Unexpended system development fees		1,607,678

Total Business-Type Activities	\$	23,630,694
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CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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, 2019. 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.

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:

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

<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

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 2020 fiscal year, OPEB deferrals for the 2020 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.

CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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.

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

CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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.

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 Cultural and Recreational – Portion of fund balances that is restricted by revenue sources for cultural and recreational.

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.

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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	\$ 25,764,762
Less:	
Inventories	5,896
Prepaid items	38,750
Loans receivable	14,700
Stabilization by State statute	6,036,240
Restricted for general government	103,690
Restricted for streets	376,486
Restricted for public safety	560,076
Committed for catastrophic losses	2,253,019
Assigned for subsequent year's expenditures	300,000
 Total available fund balance	 <u>\$ 16,075,905</u>

CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

The City of Greenville has outstanding encumbrances as of June 30, 2020, 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: \$ 699,806
Aggregate nonmajor funds: \$ 7,185,300

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 North Carolina OPEB Trust Fund (City) and the Other Postemployment Benefits (OPEB) Trust Fund (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 \$109,230 as of June 30, 2020. 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 fire rescue capital project fund is reporting a deficit fund balance of \$53,869 due to a project that is intended to be paid for with debt financing. The debt is intended to be issued in Fiscal Year 2021, at which time the fund will no longer operate at a deficit. Project expenditures in other capital project funds exceeded project appropriations for Sycamore Hill Gateway, Tar River Development, GTAC Project, Fire Station #3 Parking Lot, Arlington Improvements, and Center City Revitalization. Management and board will more closely review budget reports to ensure compliance in future years.

The Fleet internal service fund is reporting a net position deficit of \$2,779,696 as of June 30, 2020. Management will more closely review budget reports and chargeback rates for services.

CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

II. Pronouncements Issued But Not Yet Effective

The GASB has issued several pronouncements prior to June 30, 2020 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. 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 June 15, 2021. 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, 2019.

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, 2021.

GASB Statement No. 92, "Omnibus 2020". The requirements of this Statement are effective as follows:

- The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance.
- The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2021.
- The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2021.
- The requirements related to the measurement of liabilities (and assets, if any) associated with asset retirement obligations in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2021.

GASB Statement No. 93, "Replacement of Interbank Offered Rates". The requirements of this Statement, except for paragraphs 11b, 13, and 14 are effective for reporting periods beginning after June 15, 2020. The requirement in paragraph 11b is effective for reporting periods ending after December 31, 2021. The requirements in paragraphs 13 and 14 are effective for fiscal years periods beginning after June 15, 2021, and all reporting periods thereafter.

GASB Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements". The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

GASB Statement No. 96, "Subscription-Based Information Technology Arrangements". The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

GASB Statement No. 97, "Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32". The requirements of this Statement are effective as follows:

- The requirements in (1) paragraph 4 of this Statement as it applies to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans and (2) paragraph 5 of this Statement are effective immediately.
- The requirements in paragraphs 6–9 of this Statement are effective for fiscal years beginning after June 15, 2021.
- All other requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

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, 2020, the City's deposits had a carrying amount of \$7,482,624 and a bank balance of \$7,900,916. Of the bank balance, \$1,217,428 was covered by Federal depository insurance, and the remainder of \$6,683,488 was covered by collateral held under the pooling method. The City's deposits include checking accounts, money market accounts, and \$1,083,076 in certificates of deposit which are reported as short-term investments. The City's cash on hand at June 30, 2020 consisted of various petty cash funds totaling \$6,739.

At June 30, 2020, the Commission's deposits had a carrying amount of \$80,471,030 and a bank balance of \$80,940,609. Of the bank balance, \$3,010,223 was covered by Federal depository insurance, and \$77,930,386 was covered by collateral held under the pooling method. The Commission's deposits include checking accounts, savings accounts, money market accounts, and \$15,480,795 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, 2020 consisted of various petty cash funds totaling \$6,100.

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

2. Investments

At June 30, 2020, 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	\$ 1,083,076	\$ 1,083,076	\$ -	\$ -
NC Capital Management Trust - Government Portfolio	Fair Value Level 1	13,225,493	13,225,493	-	-
NC Capital Management Trust - Term Portfolio*	Fair Value Level 1	19,550,732	19,550,732	-	-
U.S. Treasuries	Fair Value Level 1	5,368,482	-	-	5,368,482
Government Municipal Bond	Fair Value Level 1	563,086	-	563,086	-
U.S. Government Agency - FHLB	Fair Value Level 2	4,407,828	-	-	4,407,828
U.S. Government Agency - FHLMC	Fair Value Level 2	3,460,896	-	-	3,460,896
U.S. Government Agency - FNMA	Fair Value Level 2	12,508,811	-	-	12,508,811
Total Investments		\$ 60,168,404	\$ 33,859,302	\$ 563,086	\$ 25,746,017

At June 30, 2020, 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	\$ 15,480,795	\$ 10,315,229	\$ 5,165,566	\$ -
U.S. Government Agencies	Fair Value Level 1	14,813,964	8,949,414	-	5,864,550
U.S. Treasury Notes	Fair Value Level 1	30,183,400	-	8,505,672	21,677,728
NC Capital Management Trust - Government Portfolio	Fair Value Level 1	13,883,303	13,883,303	-	-
NC Capital Management Trust - Term Portfolio*	Fair Value Level 1	31,486,961	31,486,961	-	-
Total Investments		\$ 105,848,423	\$ 64,634,907	\$ 13,671,238	\$ 27,542,278

* 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

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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.

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 investments in Federal Home Loan Mortgage Corporation are rated AAA by Standard and Poor's and Aaa by Moody's Investors Service. The investments in Federal National Mortgage Association are rated AAA by Standard and Poor's and Aaa by Moody's Investors Service. The City's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2020. 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, 2020. The Commission's investment in the NC Capital Management Trust Term Portfolio is a bond fund, is unrated, and has a duration of .15 years. 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	\$ 563,086	2.7%
Federal Home Loan Bank	4,407,828	21.0%
Federal Home Loan Mortgage Corporation	3,460,896	16.5%
Federal National Mortgage Association	12,508,811	59.7%

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

CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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.

OPEB Trust Fund (City excluding the Commission). At June 30, 2020, the City's OPEB Trust Fund had \$6,461,785 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) 65.32%; State Treasurer's Bond Index Fund ("BIF") 9.35%; and BlackRock's MSCI ACWI EQ Index Non-Lendable Class B Fund 25.33% (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, 2020. The State Treasurer's BIF is unrated and had a weighted average maturity of 7.97 years at June 30, 2020.

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, 2020, the Commission OPEB Trust had \$5,257,070 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 28%; State Treasurer's BIF 15%; and BlackRock's MSCI ACWI EQ Index Non-Lendable Class B Fund 57% (the equities were split with 57.49% in domestic securities and 42.51% 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, 2020. The State Treasurer's BIF is unrated and had a weighted average maturity of 7.97 years at June 30, 2020.

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, 2020 of 1.3 years.

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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 7.97 years at June 30, 2020.

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, 2020, the fair value of the funds was \$23.107392 per share. Fair value for this BlackRock fund is determined using Level 1 inputs which are directly observable, quoted prices (unadjusted) in active markets for identical assets or liabilities.

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:

	City	Commission	Total
Total per Footnote:			
Investments	\$ 59,085,323	\$ 90,367,628	\$ 149,452,951
Investments - OPEB Trust Fund	6,461,785	5,257,070	11,718,855
Cash	6,414,783	63,799,253	70,214,036
Certificates of deposit	1,083,076	15,480,795	16,563,871
Petty cash	6,739	6,100	12,839
Total	\$ 73,051,711	\$ 174,910,846	\$ 247,962,552
Total per Statement of Net Assets:			
Cash and investments - unrestricted			\$ 197,064,528
Cash and investments - restricted			39,177,260
Cash and investments - Pension Trust Funds			11,718,855
Cash and cash equivalents - Agency Fund			1,909
			<u>\$ 247,962,552</u>

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

3. Receivables – Allowances for Doubtful Accounts

Receivables at the government-wide level at June 30, 2020 were as follows:

Governmental Activities:	Amount	Allowance for Doubtful Accounts	Net Receivables
Tax Receivable	\$ 384,921	\$ 57,681	\$ 327,240
Accounts Receivable			
Rescue fees receivable	4,474,966	2,237,497	2,237,469
Lot cutting fees receivable	193,727	-	193,727
Parking violations receivable	80,952	-	80,952
Loans receivable	729,798	-	729,798
Other receivables	1,240,784	360,177	880,607
Interest receivable	1,132	-	1,132
Due from other governments	3,404,786	-	3,404,786
Total Governmental Activities	<u>\$ 10,511,066</u>	<u>\$ 2,655,355</u>	<u>\$ 7,855,711</u>
Business-Type Activities:			
Greenville Utilities Commission	\$ 31,775,440	\$ 6,617,388	\$ 25,158,052
Other nonmajor enterprise	4,433,749	-	4,433,749
Due from other governments	2,227,920	-	2,227,920
Total Business-Type Activities	<u>\$ 38,437,109</u>	<u>\$ 6,617,388</u>	<u>\$ 31,819,721</u>

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 \$225,986; payable in monthly installments for 15 years at a 5.25% interest rate.

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

4. Capital Assets

Primary Government.

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

	Balance June 30, 2019	Additions	Deletions	Transfers/CIP	Balance June 30, 2020
Governmental Activities					
Capital Assets Not Being Depreciated:					
Land	\$ 42,137,413	\$ 149,309	\$ (2,800)	\$ -	\$ 42,283,922
Right-of-way easements	10,732,117	1,893,100	(64,800)	-	12,560,317
Construction in progress	29,876,835	10,916,755	(1,138,957)	(28,692,392)	10,962,241
Total capital assets not being depreciated	<u>82,746,365</u>	<u>12,959,164</u>	<u>(1,206,657)</u>	<u>(28,692,392)</u>	<u>65,806,480</u>
Capital Assets Being Depreciated:					
Buildings	68,300,015	15,240	-	17,770,054	86,085,309
Improvements	6,257,055	413,440	-	2,036,234	8,706,729
Intangible	2,022,400	-	-	-	2,022,400
Infrastructure	96,209,621	5,727,026	(224,473)	8,576,488	110,288,662
Vehicles	4,952,279	105,000	(133,738)	-	4,923,541
Machinery and equipment	18,449,961	552,584	(302,104)	309,616	19,010,057
Total capital assets being depreciated	<u>196,191,331</u>	<u>6,813,290</u>	<u>(660,315)</u>	<u>28,692,392</u>	<u>231,036,698</u>
Less Accumulated Depreciation for:					
Buildings	(37,822,358)	(1,961,308)	-	-	(39,783,666)
Improvements	(5,855,543)	(82,689)	-	-	(5,983,232)
Intangible	(1,429,883)	(299,749)	-	-	(1,729,632)
Infrastructure	(29,939,265)	(1,891,852)	168,620	-	(31,662,497)
Vehicles	(4,203,266)	(137,186)	133,738	-	(4,206,714)
Machinery and equipment	(16,243,789)	(614,443)	302,104	-	(16,556,128)
Total accumulated depreciation	<u>(95,494,104)</u>	<u>(4,987,227)</u>	<u>604,462</u>	<u>-</u>	<u>(99,876,869)</u>
Total capital assets being depreciated, net	<u>100,697,227</u>	<u>1,826,063</u>	<u>(55,853)</u>	<u>28,692,392</u>	<u>131,159,829</u>
Governmental activities capital assets, net	<u>\$ 183,443,592</u>	<u>\$ 14,785,227</u>	<u>\$ (1,262,510)</u>	<u>\$ -</u>	<u>\$ 196,966,309</u>

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

	Balance June 30, 2019	Additions	Deletions	Transfers/CIP	Balance June 30, 2020
Internal Service Fund:					
(reported in Governmental Activities)					
Capital Assets Not Being Depreciated:					
Construction in progress	\$ 2,591,340	\$ 2,476,391	\$ -	\$ (2,591,340)	\$ 2,476,391
Total capital assets not being depreciated	2,591,340	2,476,390	-	(2,591,340)	2,476,390
Capital Assets Being Depreciated:					
Building	903,162	-	-	-	903,162
Vehicles	31,388,058	870,717	(358,576)	2,591,340	34,491,539
Machinery and equipment	2,561,247	177,535	(10,475)	-	2,728,307
Improvements	85,211	-	-	-	85,211
Total capital assets being depreciated	34,937,678	1,048,251	(369,051)	2,591,340	38,208,219
Less Accumulated Depreciation for:					
Building	(214,917)	(60,108)	-	-	(275,025)
Vehicles	(18,768,649)	(2,926,923)	357,781	-	(21,337,791)
Machinery and equipment	(1,582,917)	(224,679)	10,475	-	(1,797,121)
Improvements	(30,409)	(6,462)	-	-	(36,871)
Total accumulated depreciation	(20,596,892)	(3,218,172)	368,256	-	(23,446,808)
Total capital assets being depreciated, net	14,340,786	(2,169,121)	(795)	-	14,761,411
Capital assets, net	\$ 16,932,126	\$ 306,470	\$ (795)	\$ -	\$ 17,237,802

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

General government	\$ 1,010,373
Public safety	599,465
Economic and physical development	9,967
Cultural and recreational	1,452,747
Transportation	28,576
Infrastructure	1,886,099
Total	\$ 4,987,227
 General Government - Internal Service Fund	 \$ 3,218,172

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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 June 30, 2019	Additions	Deletions	Transfers/CIP	Balance June 30, 2020
Business-Type Activities					
Capital Assets Not Being Depreciated:					
Construction in progress	\$ 14,806,834	\$ 13,188,548	\$ -	\$ -	\$ 27,995,382
Total capital assets not being depreciated	<u>14,806,834</u>	<u>13,188,548</u>	<u>-</u>	<u>-</u>	<u>27,995,382</u>
Capital Assets Being Depreciated:					
Buildings	407,664	-	-	-	407,664
Machinery and equipment	724,756	33,656	(100,488)	-	657,924
Vehicles	7,152,709	434,280	(13,008)	-	7,573,981
Intangible	-	20,500	-	-	20,500
Infrastructure	9,612,677	1,315,645	(58,328)	-	10,869,994
Total capital assets being depreciated	<u>17,897,806</u>	<u>1,804,081</u>	<u>(171,824)</u>	<u>-</u>	<u>19,530,063</u>
Less Accumulated Depreciation for:					
Buildings	(405,739)	(367)	-	-	(406,106)
Machinery and equipment	(589,267)	(29,441)	100,488	-	(518,220)
Vehicles	(4,463,619)	(437,172)	13,008	-	(4,887,783)
Intangible	-	(4,442)	-	-	(4,442)
Infrastructure	(663,814)	(192,254)	44,329	-	(811,739)
Total accumulated depreciation	<u>(6,122,439)</u>	<u>(663,676)</u>	<u>157,825</u>	<u>-</u>	<u>(6,628,290)</u>
Total capital assets being depreciated, net	<u>11,775,367</u>	<u>1,140,405</u>	<u>(13,999)</u>	<u>-</u>	<u>12,901,773</u>
Business-type activity capital assets, net	<u>\$ 26,582,201</u>	<u>\$ 14,328,953</u>	<u>\$ (13,999)</u>	<u>\$ -</u>	<u>\$ 40,897,155</u>

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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

	Balance June 30, 2019	Additions	Deletions	Transfers/CIP	Balance June 30, 2020
Capital Assets Not Being Depreciated:					
Land	\$ 8,375,720	\$ -	\$ -	\$ 170,727	\$ 8,546,447
Easements	584,662	-	-	-	584,662
Construction in progress	25,246,104	44,458,862	-	(11,217,325)	58,487,641
Total capital assets not being depreciated	<u>34,206,486</u>	<u>44,468,852</u>	<u>-</u>	<u>(11,046,598)</u>	<u>67,618,750</u>
Capital Assets Being Depreciated:					
Land improvements	3,562,298	-	-	-	3,562,298
General plant	13,255,577	112,433	-	-	13,368,010
Utility plant	171,895,132	1,614,702	-	6,067,115	179,576,949
Computer software	32,809,859	193,959	-	-	33,003,818
Vehicles and equipment	28,560,104	1,914,426	(651,960)	-	29,822,570
Distribution systems	475,042,384	15,089,298	-	985,835	491,117,517
Transmission systems	42,832,321	118,623	-	3,993,648	46,944,592
Computer hardware	3,613,963	705,603	-	-	4,319,566
Fiber optics	2,379,861	52,261	-	-	2,432,122
Total capital assets being depreciated	<u>773,951,499</u>	<u>19,801,305</u>	<u>(651,960)</u>	<u>11,046,598</u>	<u>804,147,442</u>
Less Accumulated Depreciation for:					
Land improvements	1,532,625	155,098	-	-	1,687,723
General plant	7,504,601	362,150	-	-	7,866,751
Utility plant	75,533,472	5,106,658	-	-	80,640,130
Computer software	13,842,034	1,705,323	-	-	15,547,357
Vehicles and equipment	24,654,675	1,724,484	(651,960)	-	25,727,199
Distribution systems	253,846,425	12,107,365	-	-	265,953,790
Transmission systems	25,111,718	1,528,028	-	-	26,639,746
Computer hardware	3,250,678	265,544	-	-	3,516,222
Fiber optics	1,463,429	117,376	-	-	1,580,805
Total accumulated depreciation	<u>406,739,657</u>	<u>23,072,026</u>	<u>(651,960)</u>	<u>-</u>	<u>429,159,723</u>
Total capital assets being depreciated, net	<u>367,211,842</u>	<u>(3,270,721)</u>	<u>-</u>	<u>11,046,598</u>	<u>374,987,719</u>
Net Capital Assets	<u>\$ 401,418,328</u>	<u>\$ 41,188,141</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 442,606,469</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, 2020 totaled \$10,170,187, \$4,072,819, \$6,492,806, and \$2,336,214, respectively.

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

Construction Commitments (Commission).

The Commission has active construction projects as of June 30, 2020. At year-end, the Commission's commitments with contractors were as follows:

Project Name	Spent-to-Date	Remaining Commitments
Electric transmission system	\$ 277,567	\$ 47,101
Electric distribution system	5,788,005	1,040,830
Water treatment and distribution system	7,359,662	48,076,086
Sewer treatment and collection system	2,520,681	312,599
Natural gas distribution system	206,109	91,848
Administrative facilities	42,229,326	9,224,461
Total	\$ 58,381,350	\$ 58,792,925

B. Liabilities

Accounts Payable and Accrued Liabilities.

Payables at the government-wide level at June 30, 2020 were as follows:

Type of Payable	Governmental Activities	Business-Type Activities
Trade payable	\$ 5,301,482	\$ 18,012,949
Accrued salaries and fringe benefits	1,552,683	1,000,523
Other accrued expenses	-	4,148
Total	\$ 6,854,165	\$ 19,814,334

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

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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, 2020 was 9.70 % of compensation for law enforcement officers and 8.95% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the City of Greenville were \$3,857,776 for the year ended June 30, 2020. The Commission's contributions to LGERS were \$2,843,296 for the year ended June 30, 2020.

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, 2020, the City reported a liability of \$17,779,395 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. The 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, 2019, the City's proportion was 0.65104%, which was an increase of 0.01563% from its proportion measured as of June 30, 2018.

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

For the year ended June 30, 2020, the City recognized pension expense of \$7,648,981. At June 30, 2020, 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	\$ 3,044,283	\$ -
Net difference between projected and actual earnings on pension plan investments	433,665	-
Changes in proportion and differences between contributions and proportionate share of contributions	62,296	372,381
Changes of assumptions	2,897,747	-
Contributions subsequent to the measurement date	3,857,776	-
Total	\$ 10,295,767	\$ 372,381

\$3,857,776 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, 2021. 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>	
2021	\$ 3,005,544
2022	895,222
2023	1,661,803
2024	503,041
Thereafter	-
Total	\$ 6,065,610

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

Inflation	3.05%
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, 2018 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.

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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, 2019 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 2018 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.05%. 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 Liability to Changes in the Discount Rate. The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 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>\$ 40,664,727</u>	<u>\$ 17,779,395</u>	<u>\$ (1,242,953)</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
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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

At June 30, 2020, the Commission reported a liability of \$12,262,658 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. The 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, 2019, the Commission's proportion was 0.44903%, which was a decrease of 0.01342% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the Commission recognized pension expense of \$5,607,825. At June 30, 2020, 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	\$ 2,099,677	\$ -
Changes of assumptions	1,998,610	-
Net difference between projected and actual earnings on pension plan investments	299,104	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	147,881	93,373
Commission contributions subsequent to the measurement date	2,843,296	-
Total	<u>\$ 7,388,568</u>	<u>\$ 93,373</u>

\$2,843,296 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, 2021. Other amounts reported as deferred inflows or outflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30:</u>	
2021	\$ 2,240,028
2022	707,771
2023	1,187,686
2024	316,415
Thereafter	<u>-</u>
Total	<u>\$ 4,451,900</u>

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

Sensitivity of the Commission's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the Commission's proportionate share of the net pension liability 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:

	<u>1% Decrease (6.00%)</u>	<u>Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Commission's proportionate share of the net pension liability	\$ 28,046,944	\$ 12,262,658	\$ (857,279)

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, 2018 the Separation Allowance's membership consisted of:

Retirees receiving benefits	26
Terminated plan members entitled to, but not yet receiving, benefits	-
Active plan members	188
Total	<u>214</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.

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

3. Actuarial Assumptions.

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

Inflation	2.5%
Salary increases	3.50% to 7.35%, including inflation and productivity factor
Discount rate	3.26%

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, 2018.

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 \$501,747 as benefits came due for the reporting period.

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

At June 30, 2020, the City reported a total pension liability of \$8,202,185. The total pension liability was measured as of December 31, 2019 based on a December 31, 2018 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2019 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2020, the City recognized pension expense of \$571,211.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 160,667
Changes of assumptions	407,340	252,685
City benefit payments and plan administrative expenditures paid subsequent to the measurement date	286,912	-
Total	<u>\$ 694,252</u>	<u>\$ 413,352</u>

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

Subsequent to the measurement date, \$286,912 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, 2021. 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>	
2021	\$ (11,706)
2022	(11,706)
2023	6,724
2024	(9,925)
2025	20,601
Thereafter	-
	<u>\$ (6,012)</u>

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 3.26%, 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 (2.26%) or 1-percentage-point higher (4.26%) than the current rate:

	<u>1% Decrease</u> <u>(2.26%)</u>	<u>Discount Rate</u> <u>(3.26%)</u>	<u>1% Increase</u> <u>(4.26%)</u>
Total pension liability	<u>\$ 8,839,020</u>	<u>\$ 8,202,185</u>	<u>\$ 7,616,433</u>

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

Beginning balance	\$ 7,938,326
Service cost	301,687
Interest on the total pension liability	279,823
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	(44,369)
Changes of assumptions or other inputs	228,465
Benefit payments	(501,747)
Other changes	-
Ending balance of the total pension liability	<u>\$ 8,202,185</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.

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

	LGERS (City)	LGERS (Commission)	LEOSSA	TOTAL
Proportionate Share of Net Pension Liability (Asset)	\$ 17,779,395	\$ 12,262,658	\$ -	\$ 30,042,053
Proportion of the Net Pension Liability (Asset)	0.65104%	0.44903%	N/A	N/A
Total Pension Liability	\$ -	\$ -	\$ 8,202,185	\$ 8,202,185
Pension Expense	\$ 7,648,981	\$ 5,607,825	\$ 571,211	\$ 13,827,307
Deferred Outflows of Resources				
Difference between expected and actual experience	\$ 3,044,283	\$ 2,099,677	\$ -	\$ 5,143,960
Changes of assumptions	\$ 2,897,747	\$ 1,998,610	\$ 407,340	\$ 5,303,697
Net difference between projected and actual earnings on pension plan investments	\$ 433,665	\$ 299,104	\$ -	\$ 732,769
Changes in proportion and differences between City contributions and proportionate share of contributions	\$ 62,296	\$ 147,881	\$ -	\$ 210,177
City contributions (LGERS)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date	\$ 3,857,776	\$ 2,843,296	\$ 286,912	\$ 6,987,984
Deferred inflows of Resources				
Differences between expected and actual experience	\$ -	\$ -	\$ 160,667	\$ 160,667
Changes of assumptions	\$ -	\$ -	\$ 252,685	\$ 252,685
Changes in proportion and differences between City contributions and proportionate share of contributions	\$ 372,381	\$ 93,373	\$ -	\$ 465,754

CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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 \$530,759 for the year ended June 30, 2020. No amounts were forfeited.

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.

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

Plan Membership. Membership of the plan consisted of the following at June 30, 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	-
	<hr/>
Active plan members	746
Total	<u>997</u>

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.

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:

Years of Service	Age at Retirement	
	55-59	60+
20 - 24 years	50%	65%
25+	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 \$3,367,610. 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

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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.

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%	7.00%
Bond Index Fund	15.00%	3.50%
Short-Term Investment Fund	50.00%	2.21%
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, 2020, 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, 2020 were as follows:

Total OPEB liability	\$ 56,310,153
Plan fiduciary net position	<u>(6,461,785)</u>
City's net OPEB liability	<u><u>\$ 49,848,368</u></u>

Plan fiduciary net position as a percentage of the total OPEB liability	11.48%
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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	

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

Prior measurement date	3.50%
Measurement date	2.21%
Year fiduciary net position is projected to be depleted	
Prior measurement date	N/A
Measurement date	N/A
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, 2020 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:

- x 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%.
- x Active employees do not explicitly contribute to the plan.
- x 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.
- x 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.
- x Projected assets do not include employer contributions that fund the estimated service costs of future employees.

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

x Cash flows occur mid-year.

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

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	<u>\$ 58,018,555</u>	<u>\$ 49,848,368</u>	<u>\$ 43,205,282</u>

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	<u>\$ 41,872,488</u>	<u>\$ 49,848,368</u>	<u>\$ 59,828,056</u>

Changes in Net OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At June 30, 2020, the City reported a net OPEB liability of \$49,848,368. 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, 2020 utilizing update procedures incorporating the actuarial assumptions.

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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

	Total OPEB Liability	Increase (Decrease) Plan Fiduciary Net Position	Net OPEB Liability
Balance at July 1, 2019	\$ 53,680,536	\$ 5,604,886	\$ 48,075,650
Changes for the year:			
Service cost	942,407	-	942,407
Interest	3,665,850	-	3,665,850
Changes of benefit terms	-	-	-
Differences between expected and actual experience	688,970	-	688,970
Changes of assumptions or other inputs	-	-	-
Contributions - employer	-	3,367,610	(3,367,610)
Net investment income	-	156,899	(156,899)
Benefit payments	(2,667,610)	(2,667,610)	-
Plan administrative expenses	-	-	-
Net changes	<u>(2,629,617)</u>	<u>856,899</u>	<u>1,772,718</u>
Balance at June 30, 2020	<u>\$ 56,310,153</u>	<u>\$ 6,461,785</u>	<u>\$ 49,848,368</u>

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, 2020, the City recognized OPEB expense of \$3,651,342. At June 30, 2020, 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	\$ 1,169,863	\$ 5,321,208
Changes of assumptions or other inputs	569,931	-
Net difference between projected and actual earnings on plan investments	<u>358,323</u>	<u>-</u>
Total	<u>\$ 2,098,117</u>	<u>\$ 5,321,209</u>

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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>	
2021	\$ (540,487)
2022	(540,489)
2023	(565,501)
2024	(599,060)
2025	(704,891)
Thereafter	(272,665)
	<u>\$ (3,223,093)</u>

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 \$275,000 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.

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-

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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 \$2,686,125. The GUC OPEB Plan is accounted for as a trust fund.

Investments

Investment Policy. As of the most recent adoption of the current long-term rate of return by the GUC OPEB 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>10-Year Expected Real Rate of Return</u>
Equity	60.00%	7.00%
Bonds	10.00%	3.00%
Cash and Cash Equivalents	30.00%	2.00%
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, 2020, the annual money weighted rate of return on investments, net of investment expense, was 3.232%. 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, 2020, the components of the net OPEB liability of the Commission were as follows:

Total OPEB liability (TOL)	\$ 59,619,861
Plan fiduciary net position (FNP)	<u>(5,257,070)</u>
Commission's net OPEB liability (NOL)	<u>\$ 54,362,791</u>

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

Plan fiduciary net position as a percentage of the
total OPEB liability 8.82%

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	
Municipal bond index rate	7.00%
Prior measurement date	3.50%
Measurement date	2.21%
Year fiduciary net position is projected to be depleted	
Prior measurement date	2036
Measurement date	2042
Single equivalent interest rate, net of OPEB plan investment expense, including price inflation	
Prior measurement date	4.12%
Measurement date	3.41%
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, 2020 beginning with the TOL as of June 30, 2019 using the same roll forward methodology. Actuarial gains and losses arising from the change in the SEIR from 4.12% on the prior measurement date to 3.41% 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,

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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 3.41%. 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:

- x 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%.
- x Active employees do not explicitly contribute to the plan.
- x 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.
- x Projected assets do not include employer contributions that fund the estimated service costs of future employees.
- x Cash flows occur mid-year.

Based on these assumptions, the plan's FNP was projected to be depleted in 2042 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 2042 and the Municipal Bond Index Rate at the measurement date (2.21%) was applied to periods on and after 2042, resulting in an SEIR at the measurement date (3.41%). There was a change in the discount rate from 4.12% at the prior measurement date to 3.41% 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 (2.41%) or 1-percentage-point higher (4.41%) than the current discount rate:

	1% Decrease (2.41%)	Discount Rate (3.41%)	1% Increase (4.41%)
Net OPEB liability	\$ 65,324,493	\$ 54,362,791	\$ 45,709,085

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	\$ 44,202,396	\$ 54,362,791	\$ 67,569,335

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

Changes in Net OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At June 30, 2020, the Commission reported a net OPEB liability of \$54,362,791. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019. The total OPEB liability was then rolled forward to the measurement date of June 30, 2020 utilizing update procedures incorporating the actuarial assumptions.

At June 30, 2020, 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, 2019	\$ 51,362,302	\$ 4,594,696	\$ 46,767,606
Changes for the year:			
Service cost	1,163,959	-	1,163,959
Interest	2,071,547	-	2,071,547
Changes of benefit terms	-	-	-
Differences between expected and actual experienc	863,252	-	863,252
Changes of assumptions or other inputs	6,344,926	-	6,344,926
Contributions - employer	-	2,686,125	(2,686,125)
Net investment income	-	162,374	(162,374)
Benefit payments	(2,186,125)	(2,186,125)	-
Net changes	8,257,559	662,374	7,595,185
Balance at June 30, 2020	\$ 59,619,861	\$ 5,257,070	\$ 54,362,791

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

Changes of assumptions and other inputs reflect a change in the SEIR from 4.12% on the prior measurement date to 3.41% on the measurement date.

For the year ended June 30, 2020, the Commission recognized OPEB expense of \$4,570,212. At June 30, 2020, 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	\$ 1,043,699	\$ 448,853
Changes of assumptions	13,712,875	4,094,091
Net difference between projected and actual earnings on investments	191,193	-
Total	<u>\$ 14,947,767</u>	<u>\$ 4,542,944</u>

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

Year Ending June 30:

2021	\$ 1,673,539
2022	1,673,537
2023	1,673,347
2024	1,656,798
2025	2,387,321
Thereafter	1,340,281
	<u>\$ 10,404,823</u>

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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	\$ 4,221,013	\$ 1,484,093	\$ 5,705,106
Investments:			
BlackRock MSCI ACWI EQ Index Non-Lendable Fund	1,636,731	2,965,634	4,302,365
NC Non-Pension Fixed Income	604,041	807,343	1,411,384
Total assets	<u>6,461,785</u>	<u>5,257,070</u>	<u>11,718,855</u>
Liabilities:			
Accounts payable	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Net Position:			
Net position restricted for postemployment benefits other than pensions	<u>\$ 6,461,785</u>	<u>\$ 5,257,070</u>	<u>\$ 11,718,855</u>

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

	OPEB Trust Fund (City)	OPEB Trust Fund (Commission)	Pension Trust Fund Total
Statements of Changes in Fiduciary Net Position			
Additions:			
Contributions:			
Employer contributions	\$ 3,367,610	\$ 2,686,125	\$ 6,053,735
Total contributions	<u>3,367,610</u>	<u>2,686,125</u>	<u>6,053,735</u>
Investment earnings:			
Interest	69,954	49,420	119,374
Net increase (decrease) in the fair value of investments	87,103	113,224	200,327
Total investment earnings	<u>157,057</u>	<u>162,644</u>	<u>319,701</u>
Less investment expense	158	270	428
Net investment income	<u>156,899</u>	<u>162,374</u>	<u>319,273</u>
Total additions	<u>3,524,509</u>	<u>2,848,499</u>	<u>6,373,458</u>
Deductions:			
Benefits	<u>2,667,610</u>	<u>2,186,125</u>	<u>4,853,735</u>
Total deductions	<u>2,667,610</u>	<u>2,186,125</u>	<u>4,853,735</u>
Change in net position	856,899	662,374	1,519,273
Net position restricted for postemployment benefits other than pensions, beginning of year	<u>5,604,886</u>	<u>4,594,696</u>	<u>10,199,582</u>
Net position restricted for postemployment benefits other than pensions, end of year	<u>\$ 6,461,785</u>	<u>\$ 5,257,070</u>	<u>\$ 11,718,855</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
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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	\$ -	\$ 3,857,776	\$ -	\$ -
Benefit payments and administrative expenses for LEOSSA made subsequent to measurement date	-	286,912	-	-
Differences between expected and actual experience	1,169,863	3,044,283	-	-
Changes of assumptions	569,931	3,305,087	-	-
Net difference between projected and actual investment earnings	358,323	433,665	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	62,296	-	-
Charge on refunding	-	-	569,066	-
Commission				
Contributions to LGERS pension plan in current year	-	2,843,296	-	-
Differences between expected and actual experience	1,043,699	2,099,677	-	-
Changes of assumptions	13,712,875	1,998,610	-	-
Net difference between projected and actual investment earnings	191,193	299,104	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	147,881	-	-
Charge on refunding	-	-	1,438,062	-
Total	\$ 17,045,884	\$ 18,378,587	\$ 2,007,128	\$ -

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

	Deferred Inflows			
	Statement of Net Position			Governmental
	OPEB Deferrals	Pension Deferrals	Other Deferrals	Funds Balance Sheet Deferrals
City				
Property Tax Receivable	\$ -	\$ -	\$ -	\$ 327,240
Other Receivables (general fund)	-	-	-	3,160,687
Other Receivables (nonmajor governmental funds)	-	-	-	287,084
Prepaid Property Taxes General Fund	-	-	-	-
Differences between expected and actual experience	5,321,208	160,667	-	-
Changes of assumptions	-	252,685	-	-
Net difference between projected and actual investment earnings	-	-	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	372,381	-	-
Commission				
Differences between expected and actual experience	448,853	-	-	-
Changes of assumptions	4,094,091	-	-	-
Net difference between projected and actual investment earnings	-	-	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	93,373	-	-
Total	<u>\$ 9,864,152</u>	<u>\$ 879,106</u>	<u>\$ -</u>	<u>\$ 3,775,011</u>

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.

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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	\$171,227,463
Crime	\$1,000,000
Excess liability (general, auto, public officials, law enforcement, firefighters, errors and omission, employer's liability)	\$3,000,000 / \$3,000,000
Umbrella	\$4,000,000 / \$4,000,000
Workers' compensation	Statutory
Workers' compensation employers' liability	\$2,000,000
Public employees' blanket bond	\$1,000,000
Public officials' bonds - Director of Financial Services	\$250,000

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 \$1,486,000 reported in accounts payable in the Health Insurance Internal Service Fund at June 30, 2020 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, 2020 and 2019 are as follows:

	2020	2019
Unpaid claims, beginning	\$ 1,537,000	\$ 2,001,000
Incurred claims and administrative costs	12,685,248	10,837,117
Claim and administrative payments	(12,736,248)	(11,301,117)
Unpaid claims, ending	\$ 1,486,000	\$ 1,537,000

For the Commission, the medical claims liability of \$780,399 included in accounts payable and accrued expenses at June 30, 2020 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

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Unpaid claims, beginning	\$ 831,560	\$ 817,586
Incurred claims and administrative costs	7,035,802	7,225,729
Claim and administrative payments	(7,086,963)	(7,211,755)
Unpaid claims, ending	<u>\$ 780,399</u>	<u>\$ 831,560</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 \$302 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.

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 \$776,070.

	<u>2020</u>	<u>2019</u>
Unpaid claims, beginning	\$ 570,341	\$ 611,270
Incurred claims and administrative costs	840,506	907,106
Claim and administrative payments	(634,777)	(948,035)
Unpaid claims, ending	<u>\$ 776,070</u>	<u>\$ 570,341</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.

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

5. Claims, Judgments, and Contingent Liabilities

At June 30, 2020, 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. During 2020, an outbreak of a novel strain of coronavirus ("COVID-19") emerged globally. As a result of the spread of COVID-19, economic uncertainties have arisen that could negatively impact the City's revenue and operations for an indeterminate time period. Other financial impacts could occur that are unknown at this time.

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.	\$ 4,285,000
2012 Installment Purchase Contract, \$2,591,372 original issue, due in quarterly installments of \$29,987 to \$61,004 through 2029, plus interest at 2.42%	1,738,571
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%. Installment amended in 2020 to change to taxable financing. Interest rate changed to 3.5% and semi-annual installments changed to \$171,784 to \$220,510.	3,004,915
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%.	1,425,000
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%.	783,923

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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%	790,670
Total Governmental Activities	<u>\$ 12,028,079</u>
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%.	\$ 45,000
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%	102,856
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%	182,147
Total Business-Type Activity	<u>\$ 330,003</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
2021	\$ 2,089,149	\$ 263,520	\$ 2,352,669
2022	2,069,173	234,717	2,303,890
2023	2,039,693	189,141	2,228,834
2024	2,027,303	142,281	2,169,584
2025	924,834	103,291	1,028,125
2026-2030	2,877,927	194,547	3,072,471
Total	<u>\$ 12,028,079</u>	<u>\$ 1,127,497</u>	<u>\$ 13,115,576</u>

Year Ending June 30,	Business Type Activities		
	Principal	Interest	Total
2021	\$ 157,142	\$ 7,465	\$ 164,607
2022	112,142	3,222	115,364
2023	60,719	834	61,553
Total	<u>\$ 330,003</u>	<u>\$ 11,521</u>	<u>\$ 341,524</u>

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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:

<u>Direct Placement General Fund Obligation Bonds</u>	<u>Governmental Funds</u>	<u>Nonmajor Enterprise Funds</u>
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.	\$ 3,796,401	\$ 2,373,599
Total Direct Placement General Obligation Bonds	<u>\$ 3,796,401</u>	<u>\$ 2,373,599</u>

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
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	523,008	28,898	551,906	326,995	18,068	345,063
2026-2027	1,006,016	28,674	1,034,390	628,983	17,741	646,724
Total	<u>\$ 3,796,401</u>	<u>\$ 277,702</u>	<u>\$ 4,074,106</u>	<u>\$ 2,373,599</u>	<u>\$ 173,685</u>	<u>\$ 2,547,284</u>

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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:

<u>Public Sales General Fund Obligation Bonds</u>	<u>Governmental Funds</u>
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%.	\$ 1,760,000
2016 Street and Pedestrian Transportation, Series 2016, \$8,000,000 original issue due in annual installments of \$400,000 through 2036	6,800,000
2020 Street and Pedestrian Transportation, Series 2020, \$7,850,000 original issue due in annual installments of \$350,000 to \$400,000 through 2036	<u>7,850,000</u>
General Obligation Bonds	<u>16,410,000</u>
Add unamortized premium	<u>1,356,283</u>
Total Public Sales General Obligation Bonds	<u>\$ 17,766,283</u>

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

<u>Year Ending</u>	<u>Governmental Funds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
June 30,			
2021	\$960,000	\$657,346	\$1,617,346
2022	960,000	602,652	1,562,652
2023	960,000	557,853	1,517,853
2024	960,000	512,853	1,472,853
2025	960,000	467,652	1,427,652
2026-2030	4,800,000	1,664,763	6,464,763
2031-2035	4,160,000	707,463	4,867,463
2036-2037	2,650,000	160,688	2,810,688
Total	<u>\$16,410,000</u>	<u>\$5,331,270</u>	<u>\$21,741,270</u>

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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%.	\$ 490,000
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%.	3,805,000
Total Direct Placement Special Obligation Bonds	\$ 4,295,000

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

Year Ending June 30,	Principal	Interest	Total
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	622,292	62,667	684,959
2026-2027	1,305,914	64,003	1,369,917
Total	\$ 4,295,000	\$ 567,575	\$ 4,862,575

The City has pledged net occupancy tax revenues and other replacement revenues to repay these direct placement revenue bonds, of which \$4,295,000 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 \$4,862,575. Principal and interest paid for the current year bonds, debt service revenues from occupancy tax, and total occupancy tax were \$740,126, \$813,723, and \$1,051,795, respectively.

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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, \$26,226,660 drawn to date, and \$2,028,210 additional costs incurred to date, due in annual installments of \$1,631,009, with a final payment on May 1, 2040.	\$ 28,254,870
Total Other Debt	<u>\$ 28,254,870</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>
2021	\$ 1,631,008	\$ 355,314	\$ 1,986,322
2022	1,631,008	288,199	1,919,207
2023	1,631,008	273,031	1,904,039
2024	1,631,008	257,862	1,888,870
2025	1,631,008	242,694	1,873,702
2026-2030	8,155,043	985,945	9,140,988
2031-2035	8,155,043	606,735	8,761,778
2036-2040	3,789,744	227,526	4,017,270
Total	<u>\$ 28,254,870</u>	<u>\$ 3,237,306</u>	<u>\$ 31,492,176</u>

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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, 2020:

Governmental Activities	Balance	Additions	Retirements	Balance	Current Portion
	June 30, 2019			June 30, 2020	
Public sales general obligation bonds	\$ 9,120,000	\$ 7,850,000	\$ 560,000	\$ 16,410,000	\$ 960,000
<i>Direct Placement:</i>					
General obligation bonds	4,384,016	-	587,615	3,796,401	615,300
Special obligation revenue	4,880,000	-	585,000	4,295,000	615,000
Installment purchase contracts	14,725,004	-	2,696,925	12,028,079	2,089,149
Net pension liability (LGERS)	13,776,980	2,478,245	-	16,255,225	-
Total pension liability (LEO)	7,938,326	263,859	-	8,202,185	-
Net OPEB liability	43,820,969	1,800,257	-	45,621,226	-
Compensated absences	2,859,371	2,447,188	2,049,659	3,256,900	2,279,830
	101,504,666	14,839,549	6,479,198	109,865,016	\$ 6,559,279
Add unamortized premium	609,136	781,955	34,808	1,356,283	
Total governmental	\$ 102,113,802	\$ 16,621,504	\$ 6,514,006	\$ 111,221,299	
Business-Type Activities					
<i>Managed by the City</i>					
<i>Direct Placement:</i>					
General obligation bonds	\$ 2,739,371	\$ -	\$ 365,772	\$ 2,373,599	\$ 384,700
Installment purchase contracts	487,145	-	157,142	330,003	157,142
Notes Payable	16,319,234	11,935,636	-	28,254,870	1,631,008
Net pension liability (LGERS)	1,297,119	227,051	-	1,524,170	-
Net OPEB liability	4,254,682	-	27,540	4,227,142	-
Compensated absences	207,967	176,542	188,082	196,427	137,310
Total	25,305,518	12,339,229	738,541	36,978,237	2,310,160
<i>Managed by the Commission</i>					
Direct placement revenue bonds	8,643,000	-	2,458,000	6,185,000	1,725,000
Public sales revenue bonds	109,310,000	-	1,549,999	107,760,001	3,425,000
Other types of debt	37,631,290	-	2,845,649	34,785,641	2,879,362
Discounts and premiums	15,793,227	-	605,760	15,187,467	-
Compensated absences	2,358,256	2,140,975	1,924,680	2,574,551	1,798,158
Net OPEB liability	46,767,606	7,595,185	-	54,362,791	-
Net pension liability (LGERS)	10,970,895	1,291,763	-	12,262,658	-
Total long-term liabilities	231,474,274	11,027,923	9,384,088	233,118,109	9,827,520
Total business-type	\$ 256,779,792	\$ 23,339,342	\$ 10,095,084	\$ 270,024,050	\$ 12,137,680

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.

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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 \$57,166,367 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 3% of total revenues. The total principal and interest remaining to be paid on the bonds is \$89,782,451. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$3,328,583, \$17,169,709, and \$172,128,947, 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.	\$ 847,458
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.	<u>3,059,235</u>
	<u>\$ 3,906,693</u>

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

Year Ending	Principal	Interest	Total
June 30,			
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	435,306	24,029	459,335
2026-2027	870,612	24,029	894,641
Total	<u>\$ 3,906,693</u>	<u>\$ 246,120</u>	<u>\$ 4,152,813</u>

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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

<u>Description</u>	<u>Amount</u>
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.	\$21,966,087
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.	881,799
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.	3,319,005
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>\$53,259,674</u>

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	1,496,130	2,015,849	3,511,979
2026-2030	8,575,173	8,862,556	17,437,729
2031-2035	10,934,190	6,433,685	17,367,875
2036-2040	11,810,903	4,281,195	16,092,098
2041-2045	14,067,367	2,020,819	16,088,186
2046	1,293,293	51,732	1,345,025
Total	<u>\$ 53,259,674</u>	<u>\$ 32,369,964</u>	<u>\$ 85,629,638</u>

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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, 2020 was approximately \$54.6 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 \$18,447,609 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 21% of net revenues or less than 8% of total revenues. The total principal and interest remaining to be paid on the bonds is \$28,044,299. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$1,294,695, \$8,404,272, and \$23,628,972, 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.	\$ 368,255
	<u>\$ 368,255</u>

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 181,816	\$ 6,961	\$ 188,777
2022	186,439	2,340	188,779
Total	<u>\$ 368,255</u>	<u>\$ 9,301</u>	<u>\$ 377,556</u>

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

<u>Description</u>	<u>Amount</u>
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.	\$ 2,172,568
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.	458,508
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.	7,241,436
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.	<u>8,206,842</u>
	<u>\$ 18,079,354</u>

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	742,345	682,252	1,424,597
2026-2030	4,117,209	2,822,150	6,939,359
2031-2035	4,608,336	1,674,437	6,282,773
2036-2040	2,575,681	927,981	3,503,662
2041-2045	3,085,816	417,003	3,502,819
2046	127,914	5,117	133,031
Total	<u>\$ 18,079,354</u>	<u>\$ 9,587,389</u>	<u>\$ 27,666,743</u>

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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:

<u>Description</u>	<u>Amount</u>
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.	\$ 1,942,457
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.	299,276
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.	134,746
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.	839,473
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, 2038.	1,058,811
	\$ 4,274,763

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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
2021	\$ 354,139	\$ 86,755	\$ 440,894
2022	354,139	79,361	433,500
2023	354,139	71,968	426,107
2024	354,139	64,575	418,714
2025	354,139	57,181	411,320
2026-2030	1,770,696	175,004	1,945,700
2031-2035	556,903	38,241	595,144
2036-2038	176,469	5,400	181,869
Total	\$ 4,274,763	\$ 578,485	\$ 4,853,248

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.	\$ 735,538
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.	12,314
	\$ 747,852

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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

Year Ending June 30,	Principal	Interest	Total
2021	\$ 74,674	\$ -	\$ 74,674
2022	74,673	-	74,673
2023	74,673	-	74,673
2024	74,673	-	74,673
2025	74,673	-	74,673
2026-2030	373,366	-	373,366
2031	1,120	-	1,120
Total	\$ 747,852	\$ -	\$ 747,852

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 \$19,817,392 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 21% of net revenues, or less than 9% of total revenues. The total principal and interest remaining to be paid on the bonds is \$29,860,898. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$2,330,692, \$10,165,169, and \$24,168,771, 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.	\$ 471,842
	\$ 471,842

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
2021	\$ 232,960	\$ 8,920	\$ 241,880
2022	238,882	2,998	241,880
Total	\$ 471,842	\$ 11,918	\$ 483,760

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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

<u>Description</u>	<u>Amount</u>
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.	\$ 4,570,715
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.	1,364,694
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.	6,610,224
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.	6,799,917
	<u>\$ 19,345,550</u>

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

<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	894,532	706,590	1,601,122
2026-2030	4,205,650	2,879,935	7,085,585
2031-2035	4,536,475	1,751,514	6,287,989
2036-2040	2,753,636	996,945	3,750,581
2041-2045	3,283,512	466,159	3,749,671
2046	269,109	10,764	279,873
Total	<u>\$ 19,345,550</u>	<u>\$ 10,031,588</u>	<u>\$ 29,377,138</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

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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.	\$ 6,880,815
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.	5,319,600
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.	8,872,284
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 \$1,997,429 drawn to date, due in annual installments of \$99,871, with a final payment on May 1, 2036.	1,597,943
2.0% Clean Water State Revolving Fund loan issued in 2017 to finance pump station upgrades, \$6,176,450 authorized and \$5,990,545 drawn to date, due in annual installments of \$299,527, with a final payment on May 1, 2037.	5,091,963
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 \$1,718,086 drawn to date, due in annual installments of \$85,904, with a final payment on May 1, 2038.	1,546,277
	<u>\$ 29,308,882</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>
2021	\$ 2,299,168	\$ 646,562	\$ 2,945,370
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	2,299,168	438,087	2,737,255
2026-2030	11,495,839	1,408,649	12,904,488
2031-2035	5,360,565	325,723	5,686,288
2036-2038	956,638	26,528	983,166
Total	<u>\$ 29,308,882</u>	<u>\$ 4,472,523</u>	<u>\$ 33,781,405</u>

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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, 2020, \$454,144 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 \$151,381, 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>
2021	\$ 151,381	\$ 76,919	\$ 228,300
2022	151,381	73,227	224,608
2023	<u>151,382</u>	<u>91,529</u>	<u>242,911</u>
Total	<u>\$ 454,144</u>	<u>\$ 241,675</u>	<u>\$ 695,819</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 \$18,513,633 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 6% of total revenues. The total principal and interest remaining to be paid on the bonds is \$27,570,658. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$1,242,189, \$6,086,248, and \$32,054,632, 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.	\$ 702,445
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.	<u>735,765</u>
	<u>\$ 1,438,210</u>

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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
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	104,694	5,779	110,473
2026-2027	209,388	5,779	215,167
Total	\$ 1,438,210	\$ 71,787	\$ 1,509,997

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.	\$ 9,930,630
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.	609,335
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.	<u>6,535,458</u>
	<u>\$ 17,075,423</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
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	426,993	643,609	1,070,602
2026-2030	2,631,968	2,858,609	5,490,577
2031-2035	3,425,999	2,107,964	5,533,963
2036-2040	3,884,781	1,413,985	5,298,766
2041-2045	4,608,305	689,163	5,297,468
2046	584,684	23,387	608,071
Total	\$ 17,075,423	\$ 10,495,235	\$ 27,570,658

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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, 2020 is as follows:

Operating revenues	\$ 249,173,078
Operating expenses ¹	(207,347,680)
Operating income	41,825,398
Nonoperating revenues:	
Miscellaneous revenues ²	1,203,591
Interest income ²	1,604,653
Income available for debt service	\$ 44,633,642
Parity debt service (principal and interest paid)	\$ 8,196,159
Parity debt service coverage ratio	545%
Subordinate and other debt service (principal and interest paid)	\$ 3,712,010
Subordinate and other debt service coverage ratio	982%

¹ In accordance with rate covenants, operating expenses excludes depreciation expense of \$23,072,026; unfunded OPEB expense of \$1,884,087; and pension expense and expenditures of \$2,764,529.

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, 2020 consist of the following:

Receivable Fund	Payable Fund								Total
	General Fund	Nonmajor Governmental	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Nonmajor Enterprise	Internal Service Funds	
General Fund	\$ -	\$ 996,417	\$ 33,357	\$ 732	\$ 1,000	\$ 225	\$ 264,401	\$ 1,256,601	\$ 2,552,733
Nonmajor Governmental	-	-	-	-	-	-	-	-	-
Nonmajor Enterprise	-	-	-	-	-	-	-	-	-
Internal Service Funds	-	-	42,743	-	-	-	-	-	42,743
Total	\$ -	\$ 996,417	\$ 76,100	\$ 732	\$ 1,000	\$ 225	\$ 264,401	\$ 1,256,601	\$ 2,595,476

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, 2020

2. Interfund Transfers

Transfers to/from other funds at June 30, 2020 consist of the following:

Governmental activities:

Transfers within governmental activities:

From the General Fund to the Central Grants Fund for local match to Shotspotter Project	\$ 32,107
From the General Fund to the Capital Reserve Fund for various capital projects	806,882
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 Information Technology Capital Projects Fund for IT infrastructure upgrades	135,271
From the General Fund to the Community Development and HOME Fund for grant local match	319,125
From the General Fund to the Debt Service Fund for debt service payments	4,819,754
From the General Fund to the Sheppard Memorial Library Fund for share of operating funding	1,308,057
From the General Fund to the Facilities Improvement Program for noncapital projects	1,180,000
From the General Fund to the Vehicle Replacement Fund for vehicle purchases	605,587
From the General Fund to the Recreation and Parks Capital Projects Fund for the Volleyball Park Construction	320,000
From the General Fund to the Recreation and Parks Capital Projects Fund for the Art Zoo Project	100,000
From the Recreation and Parks Capital Projects Fund to the General Fund for baseball field upgrades	9,000
From the Recreation and Parks Capital Projects Fund to Central Grants Fund for local match to NC Municipal Grant	20,852
From the Public Works Capital Projects Fund to the General Fund for project closeouts	280,155
From the Public Works Capital Projects Fund to the General Fund for the CVA Sports Commission	275,000
From the Public Works Capital Projects Fund to the Street and Pedestrian Bond Fund for street resurfacing	1,002,567
From the Public Works Capital Projects Fund to the Recreation and Parks Capital Projects Fund for the Water Sports Facility Project	30,000
From the Public Works Capital Projects Fund to the Information Technology Capital Projects Fund for IT infrastructure upgrades	250,000
From the Street and Pedestrian Bond Fund to the Public Works Capital Projects Fund for the Safe Routes to Schools project	112,240
From the Street and Pedestrian Bond Fund to the Greenways Capital Projects Fund for the South Tar River Greenway Phase 3 construction	535,798
From the Community Development Capital Projects Fund to the Recreation and Parks Capital Projects Fund for Westside Park development	25,000
From the Community Development Capital Projects Fund to the Recreation and Parks Capital Projects Fund for Town Common development	57,965
From the FEMA Fund to the Recreation and Parks Capital Projects Fund for the Tar River Development Project	51,340
From the FEMA Fund to the Information Technology Capital Projects Fund for IT infrastructure upgrades	62,000
From the FEMA Fund to the Public Works Capital Projects Fund for the Imperial Demolition project	15,000
From the Capital Reserve Fund to the Facilities Improvement Fund for Convention Center HVAC replacements	140,487
From the Capital Reserve Fund to the General Fund for vehicle purchases	605,587
From the Central Grants Fund to the General Fund for the Brownfield Project closeout	27,419
From the Police Capital Projects Fund to the Information Technology Capital Projects Fund for IT infrastructure upgrades	113,142
Subtotal Transfers Within Governmental Activities	<u>15,990,335</u>

Transfers to Business-Type Activities

From the General Fund to the Public Transportation Fund for local match for grants	<u>790,551</u>
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CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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	\$ 1,296,265
From the Stormwater Operating Fund to the Enterprise Capital Projects Fund for the Town Creek Culvert Project	942,325
Subtotal Transfers within Business-Type Activities	<u>2,238,590</u>

Transfers to Governmental Activities

From the Electric Fund to the General Fund	4,939,838
From the Gas Fund to the General Fund	1,714,888
From the Sanitation Fund to the Vehicle Replacement Fund for vehicle rental fee	250,000
Subtotal Transfers to Governmental Activities	<u>6,904,726</u>

Total transfers	<u>\$ 25,924,202</u>
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D. Net Investment in Capital Assets

At June 30, 2020, net investment in capital assets was computed as follows:

	Governmental Activities	Business-Type Activities
Capital assets, net of accumulated depreciation	\$ 214,204,111	\$ 483,503,624
Less capital debt:		
Gross debt	37,885,763	194,876,576
Less:		
Unamortized bond refunding charges	(515,443)	(1,491,685)
Unexpended debt proceeds	<u>(5,010,785)</u>	<u>(13,379,788)</u>
Net capital debt	<u>32,359,535</u>	<u>180,005,103</u>
Capital assets, net of related debt	<u>\$ 181,844,576</u>	<u>\$ 303,498,521</u>

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, 2020 was approximately \$54.6 million.

CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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.

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 \$147,686 to the Airport Authority during the fiscal year ended June 30, 2019. The City has a 50% equity interest in the joint venture; therefore, an equity interest of \$28,896,076 has been reflected in the government-wide financial statements at June 30, 2020. 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, 2020, the City and the Commission had no arbitrage liabilities.

CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

IX. Natural Gas Contracts (Commission)

On November 1, 2005, the Utilities Commission entered into an agreement with Piedmont Natural Gas (PNG) that allows the Utilities 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 Utilities 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 Utilities Commission may be allowed to exceed its MDQ to accommodate interruptible demand as capacity is available. At the end of the original contract term, the agreement automatically renews for additional terms of one year each unless terminated by either party.

The Utilities Commission secures its natural gas supplies through various marketers and uses marketing firms to buy and sell natural gas contracts on its behalf. We typically enter into contracts whereby we purchase and fix a portion of our gas supply in advance. At June 30, 2020, we have commitments to take delivery on a total of 1,200,000 dekatherms at fixed prices ranging from \$2.116 to \$3.658 per dekatherm and in varying amounts from July 2020 through June 2021. In addition, we have commitments to take delivery on 1,204,300 additional dekatherms during the period July 2020 through June 2021, for which we have not yet fixed a price.

The Utilities Commission entered into a Supplemental Service and Construction Agreement with PNG effective November 1, 2014 for a period of 5 years. Under the terms of the contract the Utilities Commission will pay additional demand charges to cover the costs of upgrades to the Utilities 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 were payable through October 2019.

The Utilities Commission entered a 15-year agreement with Patriots Energy Group (PEG), effective February 1, 2007 to purchase 20 percent of the Utilities Commission's firm volumes (2,000 dekatherms per day during the winter period, November through March). The Utilities 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 Utilities Commission entered a 30-year agreement with The Black Belt Energy Gas District (Black Belt Energy), effective March 1, 2018 to purchase 40 percent of Utilities 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 Utilities 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 Utilities 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 Utilities Commission delivered a remarketing election.

The Utilities 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 Utilities 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

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

March). The Utilities 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 Utilities 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 Utilities Commission delivered a remarking election. In addition, the Utilities 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 November 30, 2020, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued. Subsequent to June 30, 2020, Burlington Housing Authority proposed to issue \$53 million of multifamily housing revenue bonds, a portion of which will be used to finance the acquisition and rehabilitation of Glendale Court Apartments. The City will have no liability for payments of principal or interest for this conduit debt.

XI. Summary disclosure of significant contingencies

Coronavirus "COVID-19" - As a result of the spread of COVID-19 in early 2020, economic uncertainties have arisen, which are likely to negatively impact operating results of the City through the next fiscal year. These uncertainties include, but are not limited to, a decrease in property and sales taxes, and other sources of revenue. We are taking a conservative approach to spending and believe that this in conjunction with our reserve, unrestricted fund balances, and receipt of the CARES Act grant funding are sufficient to continue operations. However, we acknowledge that the full financial impact cannot be reasonably estimated at this time.



Required Supplementary Information & Other Supplementary Information

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2020

CITY OF GREENVILLE, NORTH CAROLINA**Schedule A-1**

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

LAST FOUR FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning balance	\$ 7,938,326	\$ 8,183,588	\$ 7,771,117	\$ 7,753,711
Service cost	301,687	320,485	288,930	307,042
Interest on the total pension liability	279,823	251,390	291,196	270,090
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	(44,369)	(65,436)	(170,442)	-
Changes of assumptions or other inputs	228,465	(295,308)	457,133	(183,415)
Benefit payments	(501,747)	(456,393)	(454,346)	(376,311)
Other changes	-	-	-	-
Ending balance of the total pension liability	<u>\$ 8,202,185</u>	<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.

CITY OF GREENVILLE, NORTH CAROLINA**Schedule A-2****SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION***LAST FOUR FISCAL YEARS*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 8,202,185	\$ 7,938,326	\$ 8,183,588	\$ 7,771,117
Covered payroll	11,362,564	11,017,389	11,182,894	11,278,574
Total pension liability as a percentage of covered payroll	72.19%	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.

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

LAST FOUR FISCAL YEARS*

	2020	2019	2018	2017
Total OPEB Liability:				
Service cost	\$ 942,406	\$ 1,079,252	\$ 1,078,017	\$ 1,007,493
Interest	3,665,850	3,943,651	3,727,873	3,559,897
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	688,970	(7,266,807)	949,354	-
Changes of assumptions	-	778,315	-	-
Benefit payments	<u>(2,667,610)</u>	<u>(2,343,838)</u>	<u>(2,990,633)</u>	<u>(1,395,412)</u>
Net change in total OPEB liability	2,629,616	(3,809,427)	2,764,611	3,171,978
Total OPEB liability, beginning of year	<u>53,680,537</u>	<u>57,489,964</u>	<u>54,725,353</u>	<u>51,553,375</u>
Total OPEB liability, end of year	<u>56,310,153</u>	<u>53,680,537</u>	<u>57,489,964</u>	<u>54,725,353</u>
Plan Fiduciary Net Position:				
Contributions - employer	3,367,610	2,943,838	3,490,633	1,895,412
Net investment income	156,899	189,904	181,481	286,573
Benefit payments	(2,667,610)	(2,343,838)	(2,990,633)	(1,395,412)
Administrative expense	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in plan fiduciary net position	856,899	789,904	681,481	786,573
Plan fiduciary net position, beginning of year	<u>5,604,886</u>	<u>4,814,982</u>	<u>4,133,501</u>	<u>3,346,928</u>
Plan fiduciary net position, end of year	<u>6,461,785</u>	<u>5,604,886</u>	<u>4,814,982</u>	<u>4,133,501</u>
City's net OPEB liability - end of year	<u>\$ 49,848,368</u>	<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	11.48%	10.44%	8.38%	7.55%
Covered payroll	\$ 37,679,335	\$ 37,679,335	\$ 38,523,575	\$ 38,523,575
City's net OPEB liability as a percentage of payroll	132.30%	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 FIVE FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Actuarially determined contribution	\$ 4,624,269	\$ 4,751,289	\$ 4,751,289	\$ 3,694,097	\$ 3,207,785
Contributions in relation to the actuarially determined contribution	<u>3,367,610</u>	<u>2,943,838</u>	<u>3,490,633</u>	<u>1,895,412</u>	<u>3,081,744</u>
Contribution deficiency (excess)	<u>\$ 1,256,659</u>	<u>\$ 1,807,451</u>	<u>\$ 1,260,656</u>	<u>\$ 1,798,685</u>	<u>\$ 126,041</u>
Covered payroll	\$ 37,679,335	\$ 37,679,335	\$ 38,523,575	\$ 38,523,575	\$ 38,523,575
Contributions as a percentage of covered payroll	8.94%	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 dollar payments
Amortization period	24 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 FOUR FISCAL YEARS

	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expense	7.00%	7.00%	7.00%	7.00%

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

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

LAST FOUR FISCAL YEARS

	2020	2019	2018	2017
Total OPEB Liability:				
Service cost	\$ 1,163,959	\$ 781,098	\$ 1,035,590	\$ 1,146,045
Interest	2,071,547	2,212,486	2,051,825	1,930,674
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	863,252	(623,845)	518,960	-
Changes of assumptions	6,344,926	11,477,272	(7,046,562)	(3,865,249)
Benefit payments	<u>(2,186,125)</u>	<u>(2,031,176)</u>	<u>(1,692,179)</u>	<u>(1,442,003)</u>
Net change in total OPEB liability	8,257,559	11,815,835	(5,132,366)	(2,230,533)
Total OPEB liability, beginning of year	<u>51,362,302</u>	<u>39,546,467</u>	<u>44,678,833</u>	<u>46,909,366</u>
Total OPEB liability, end of year	<u>59,619,861</u>	<u>51,362,302</u>	<u>39,546,467</u>	<u>44,678,833</u>
Plan Fiduciary Net Position:				
Contributions - employer	2,686,125	2,531,176	2,192,179	1,942,003
Contributions - nonemployer	-	-	-	-
Contributions - active members	-	-	-	-
Net investment income	162,374	206,816	237,188	321,437
Benefit payments	<u>(2,186,125)</u>	<u>(2,031,176)</u>	<u>(1,692,179)</u>	<u>(1,442,003)</u>
Net change in plan fiduciary net position	662,374	706,816	737,188	821,437
Plan fiduciary net position, beginning of year	<u>4,594,696</u>	<u>3,887,880</u>	<u>3,150,692</u>	<u>2,329,255</u>
Plan fiduciary net position, end of year	<u>5,257,070</u>	<u>4,594,696</u>	<u>3,887,880</u>	<u>3,150,692</u>
Commission's net OPEB liability - end of year	<u>\$ 54,362,791</u>	<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	8.82%	8.95%	9.83%	7.05%
Covered payroll	\$ 27,975,147	\$ 27,975,147	\$ 26,006,154	\$ 26,006,154
Commission's net OPEB liability as a percentage of covered payroll	194.33%	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 FIVE FISCAL YEARS

	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 2,690,316	\$ 2,590,104	\$ 2,590,104	\$ 2,070,367	\$ 2,050,401
Contributions in relation to the actuarially determined contribution	<u>2,686,125</u>	<u>2,531,176</u>	<u>2,192,179</u>	<u>1,942,003</u>	<u>1,553,515</u>
Contribution deficiency (excess)	<u>\$ 4,191</u>	<u>\$ 58,928</u>	<u>\$ 397,925</u>	<u>\$ 128,364</u>	<u>\$ 496,886</u>
Covered payroll	\$ 27,975,147	\$ 27,975,147	\$ 26,006,154	\$ 26,006,154	\$ 24,675,093
Contributions as a percentage of covered payroll	9.60%	9.05%	8.43%	7.47%	6.30%

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 NINE FISCAL YEARS**

	2020	2019	2018	2017	2016	2015	2014	2013	2012
Annual money-weighted rate of return, net of investment expense	3.23%	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 SEVEN FISCAL YEARS**

	<u>2020</u>	<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) (%)	0.65104%	0.63541%	0.66379%	0.67269%	0.70987%	0.73849%	0.75020%
City's proportion of the net pension liability (asset) (\$)	\$ 17,779,395	\$ 15,074,099	\$ 10,140,873	\$ 14,276,735	\$ 3,185,854	\$ (4,355,215)	\$ 9,042,791
City's covered payroll	\$ 42,052,061	\$ 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	42.28%	38.59%	26.57%	38.47%	8.42%	-11.47%	26.40%
Plan fiduciary net position as a percentage of the total pension liability	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

* The amounts presented for each fiscal year were determined as of the prior fiscal year 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**

*LAST SEVEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 3,322,792	\$ 3,322,792	\$ 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>3,322,792</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>	<u>\$ -</u>
City's covered payroll	\$ 42,712,939	\$ 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	7.78%	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 SEVEN FISCAL YEARS**

	2020	2019	2018	2017	2016	2015	2014
Proportion of the net pension liability (asset) (%)	0.44903%	0.46245%	0.45082%	0.44240%	0.41892%	0.42068%	0.42030%
Proportion of the net pension liability (asset) (\$)	\$ 12,262,658	\$ 10,970,895	\$ 6,887,281	\$ 9,389,210	\$ 1,880,088	\$ (2,480,943)	\$ 5,066,229
Covered payroll	\$ 30,987,547	\$ 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	39.57%	36.19%	23.13%	35.44%	7.43%	-9.98%	20.48%
Plan fiduciary net position as a percentage of the total pension liability**	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

* The amounts presented for each fiscal year were determined as of the prior fiscal year 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 SEVEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 2,843,296	\$ 2,481,598	\$ 2,345,337	\$ 2,158,620	\$ 1,782,767	\$ 1,789,817	\$ 1,755,810
Contributions in relation to the contractually required contribution	<u>2,843,296</u>	<u>2,481,598</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)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commission's covered payroll	\$ 31,832,516	\$ 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	8.93%	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, 2020

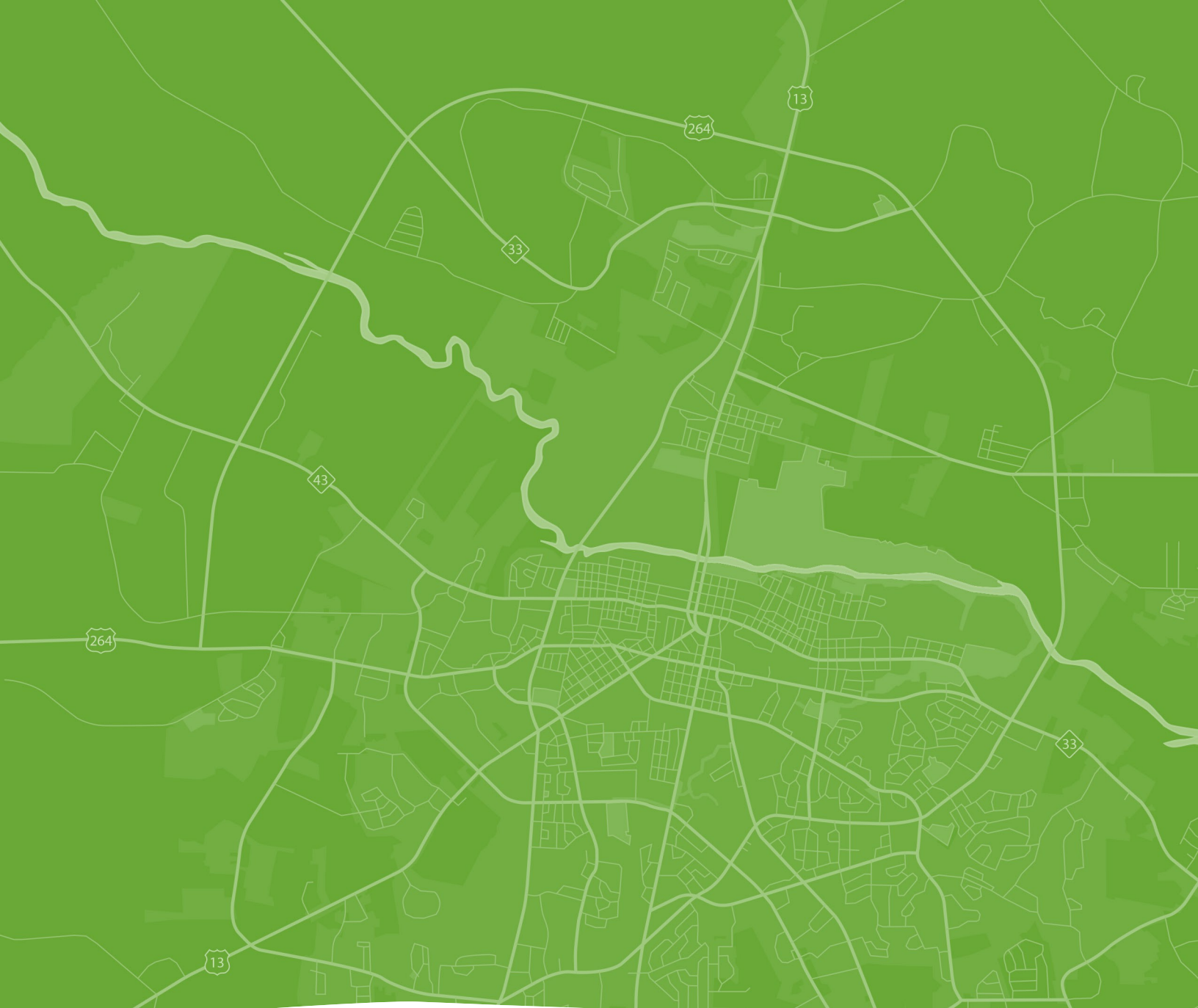
Fiscal Year	Balance June 30, 2019	Additions	Collections and Credits	Balance June 30, 2020
2020-2019		\$ 35,965,756	\$ 35,868,136	\$ 97,620
2019-2018	104,263	-	65,114	39,149
2018-2017	51,152	-	22,391	28,761
2017-2016	30,226	-	8,092	22,134
2016-2015	32,153	-	14,102	18,051
2015-2014	17,916	-	4,034	13,882
2014-2013	37,616	-	3,047	34,569
2013-2012	51,301	-	2,218	49,083
2012-2011	46,124	-	1,764	44,360
2011-2010	47,409	-	10,097	37,312
2010-2009	46,778	-	46,778	-
	<u>\$ 464,938</u>	<u>\$ 35,965,756</u>	<u>\$ 36,045,773</u>	<u>384,921</u>
Less Allowance for uncollectible accounts - General Fund				<u>(57,681)</u>
Ad Valorem Taxes Receivable, Net - General Fund				<u>\$ 327,240</u>
Reconciliation with Revenues:				
Ad Valorem Taxes - General Fund				\$ 35,828,631
Reconciling Items:				
Amount written off per statute				(5,043)
Interest collected				(129,412)
Miscellaneous				<u>351,597</u>
Total collections and credits				<u>\$ 36,045,773</u>

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

Schedule A-14

YEAR ENDED JUNE 30, 2020

	City-Wide		Total Levy		
			Property Excluding Registered Motor Vehicles	Registered Motor Vehicles	
	Property Valuation	Rate	Total Levy		
Original Levy:					
Property taxed at current year's rate	\$ 6,969,388,077	0.52	\$ 36,240,818	\$ 31,302,380	\$ 4,938,438
Penalties	-		28,823	28,823	-
Total	<u>6,969,388,077</u>		<u>36,269,641</u>	<u>31,331,203</u>	<u>4,938,438</u>
Discoveries:					
Current year taxes	89,796,731	0.52	466,943	466,943	-
Penalties	-		876	876	-
Total	<u>89,796,731</u>		<u>467,819</u>	<u>467,819</u>	<u>-</u>
Abatements	<u>(148,404,615)</u>		<u>(771,704)</u>	<u>(771,704)</u>	<u>-</u>
Total property valuation	<u>\$ 6,910,780,193</u>				
Net levy			35,965,756	31,027,318	4,938,438
Uncollected taxes as of June 30, 2020			<u>(97,620)</u>	<u>(97,620)</u>	<u>-</u>
Current year's taxes collected			<u>\$ 35,868,136</u>	<u>\$ 30,929,698</u>	<u>\$ 4,938,438</u>
Current levy collection percentage			99.73%	99.69%	100.00%
Prior year collection percentage			99.70%	99.68%	100.00%



Governmental Fund Financial Statements

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2020

GENERAL FUND

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

YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2019

	2020		Variance Positive/ Negative	2019
	Budget	Actual		Actual
Revenues:				
Ad Valorem Taxes:				
Taxes		\$ 36,692,185		\$ 35,583,502
Interest and penalties		129,412		126,071
Tax discounts		(538,943)		(848,344)
Tax refunds		(454,023)		(121,603)
Total ad valorem taxes	\$ 35,875,813	35,828,631	\$ (47,182)	34,739,626
Other Taxes:				
Local option sales tax		7,420,377		7,888,284
Cable TV franchise tax		772,501		834,988
One-half percent sales tax		8,360,262		8,442,573
Medicaid Hold Harmless payment		4,684,870		4,405,401
Occupancy Taxes		238,072		-
Rental vehicle - gross receipt		162,110		172,414
Total other taxes	21,439,148	21,638,192	199,044	21,743,660
Unrestricted Intergovernmental:				
Other unrestricted revenues		55,196		67,945
Utilities franchise tax		6,832,754		6,948,992
Beer and wine tax		392,527		392,373
Total unrestricted intergovernmental	7,598,143	7,280,477	(317,666)	7,409,310
Restricted Intergovernmental:				
NC DOT traffic control lights		-		-
Housing Authority Drug Grant		42,364		36,797
Special Federal, State, and Local Grants		(7,000)		9,250
Section 104F Planning Grant		323,974		433,314
Other restricted intergovernmental revenue		469,682		177,225
Powell Bill - State allocation payment		2,174,190		2,180,451
Total restricted intergovernmental	3,248,999	3,003,210	(245,789)	2,837,037
Licenses, Permits, and Fees:				
Privilege licenses		-		-
Inspection fees		1,629,682		1,272,358
State fire protection		401,174		400,596
Planning department fees		110,723		126,820
Police department fees		1,647,008		871,609
Fire and rescue department fees		208,550		182,270
Other permits and fees		8,716		119,024
Total licenses, permits, and fees	3,464,880	4,005,853	540,973	2,972,677

GENERAL FUND

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

YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2019

	2020		Variance Positive/ Negative	2019
	Budget	Actual		Actual
Sales and Services:				
Rescue fees		\$ 3,182,772		\$ 3,394,942
Recreation department programs and fees		814,818		980,375
Utilities street cuts		126,609		136,147
Rents and concessions		14,422		420,206
Other sales and services		400,130		785,952
Total sales and services	\$ 4,959,974	4,538,751	\$ (421,223)	5,717,622
Investment earnings	850,000	1,789,127	939,127	1,719,765
Other Revenues:				
Parking violation penalty		137,859		195,798
Other revenues		832,565		785,272
Total other revenues	1,210,950	970,424	(240,526)	981,070
Total Revenues	78,647,907	79,054,665	406,758	78,120,767
Expenditures:				
General Government:				
Mayor and City Council		587,162		425,389
City Manager		2,560,885		2,370,052
City Clerk		248,828		259,924
City Attorney		490,874		497,066
Human Resources		3,171,448		2,532,019
Financial Services		2,351,118		2,382,512
Information Technology		3,191,909		3,142,448
Reimbursement of indirect cost		(1,369,019)		(1,532,440)
Contribution to OPEB trust		700,000		600,000
Total general government	11,935,117	11,933,205	1,912	10,676,970
Public Safety:				
Fire and rescue		13,722,127		14,891,338
Police		25,997,198		25,132,600
Total public safety	41,816,534	39,719,325	2,097,209	40,023,938
Public Works:				
Other public works		4,078,870		9,500,256
Engineering		4,222,826		-
Streets		1,940,631		1,354,119
Total public works	11,094,178	10,242,327	851,851	10,854,375
Economic and Physical Development:				
Community development		2,848,841		2,847,684
Total economic and physical development	3,095,657	2,848,841	246,816	2,847,684

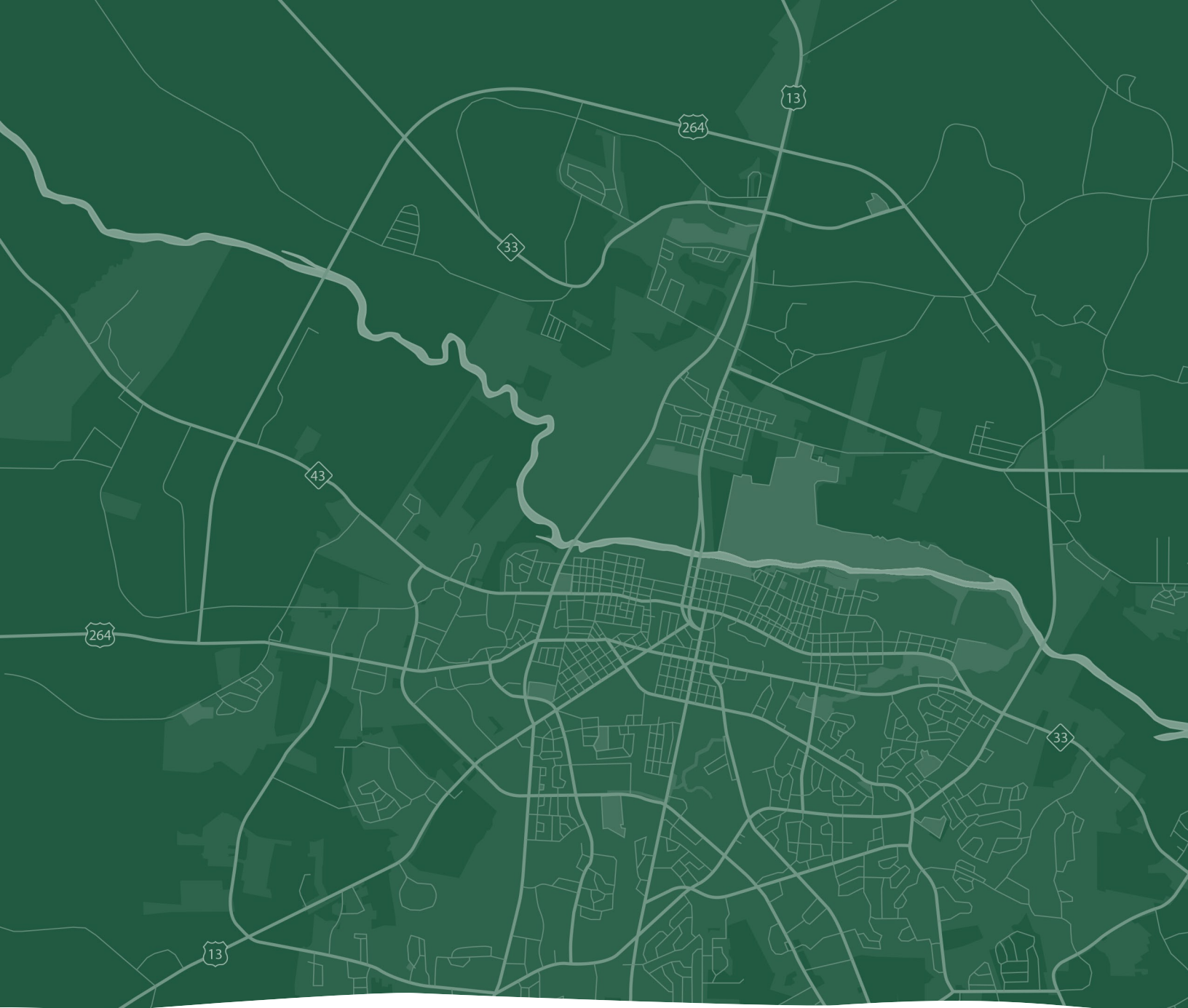
GENERAL FUND

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

YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2019

	2020		Variance Positive/ Negative	2019
	Budget	Actual		Actual
Cultural and Recreational:				
Recreation		\$ 7,184,198		\$ 7,014,081
Total cultural and recreational	\$ 7,628,418	7,184,198	\$ 444,220	7,014,081
Total expenditures	75,569,904	71,927,896	3,642,008	71,417,048
Revenues over (under) expenditures	3,078,003	7,126,769	4,048,766	6,703,719
Other Financing Sources (Uses):				
Transfers to/from other funds:				
Greenville Utilities Commission turnover	5,801,183	5,772,195	(28,988)	5,908,642
Greenville Utilities Commission lighting reimbursement	798,682	881,808	83,126	809,172
Other funds	-	-	-	-
Transfer from other funds	1,201,770	1,197,884	(3,886)	-
Transfer to other funds	(13,167,334)	(13,167,334)	-	(12,366,880)
Contingency	-	-	-	-
Appropriated fund balance	2,287,696	-	(2,287,696)	-
Total other financing sources (uses)	(3,078,003)	(5,315,447)	(2,237,444)	(5,649,066)
Net change in fund balance	\$ -	1,811,322	\$ 1,811,322	1,054,653
Fund Balance:				
Fund balance, beginning of year – July 1		23,953,440		22,898,787
Fund balance, end of year – June 30		\$ 25,764,762		\$ 23,953,440



Non-Major Governmental Fund Financial Statements

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2020

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

Schedule B-1

JUNE 30, 2020

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total
Assets:				
Cash and cash equivalents	\$ 1,786,329	\$ -	\$ 9,334,214	\$ 11,120,543
Accounts receivable, net	775,612	-	453,365	1,228,977
Interest receivable	1,132	-	-	1,132
Loans receivable	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	42,529	-	-	42,529
Prepaid items and deposits	84,284	-	-	84,284
Restricted cash and investments	706,252	1,724,696	6,609,274	9,040,222
Total assets	<u>\$ 3,396,138</u>	<u>\$ 1,724,696</u>	<u>\$ 16,396,853</u>	<u>\$ 21,517,687</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable and accrued liabilities	\$ 150,157	\$ -	\$ 1,020,105	\$ 1,170,262
Advances from grantors	167,842	-	30,872	198,714
Due to other funds	331,542	332,935	331,940	996,417
Restricted accounts payable and accrued liabilities	-	-	372,600	372,600
Total liabilities	<u>649,541</u>	<u>332,935</u>	<u>1,755,517</u>	<u>2,737,993</u>
Deferred Inflows of Resources:				
Accounts/loans receivable	<u>287,084</u>	-	-	<u>287,084</u>
Total deferred inflows of resources	<u>287,084</u>	-	-	<u>287,084</u>
Fund Balances:				
Nonspendable:				
Prepaid items	84,284	-	-	84,284
Restricted:				
Stabilization by State statute	913,322	-	1,309,791	2,223,113
Restricted for economic development	437,657	-	6,222,654	6,660,311
Restricted for cultural and recreational	62,864	-	-	62,864
Restricted for debt service	-	1,724,696	-	1,724,696
Restricted for donations	268,595	-	-	268,595
Committed:				
Committed for general government	-	-	136,880	136,880
Committed for cultural and recreational	25,000	-	898,613	923,613
Committed for public safety	-	-	409,601	409,601
Committed for economic development	-	-	684,581	684,581
Committed for capital outlays	-	-	5,913,686	5,913,686
Assigned:				
Assigned for subsequent year's expenditures	23,801	-	-	23,801
Assigned for cultural and recreational	928,359	-	-	928,359
Unassigned	<u>(284,369)</u>	<u>(332,935)</u>	<u>(934,470)</u>	<u>(1,551,774)</u>
Total fund balances	<u>2,459,513</u>	<u>1,391,761</u>	<u>14,641,336</u>	<u>18,492,610</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,396,138</u>	<u>\$ 1,724,696</u>	<u>\$ 16,396,853</u>	<u>\$ 21,517,687</u>

NONMAJOR GOVERNMENTAL FUNDS

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

YEAR ENDED JUNE 30, 2020

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total
Revenues:				
Other taxes	\$ -	\$ 813,723	\$ -	\$ 813,723
Restricted intergovernmental	4,010,111	-	1,411,749	5,421,860
Investment earnings	20,187	48,481	14,269	82,937
Other revenues	187,705	-	749,750	937,455
Restricted other revenues	163,377	-	-	163,377
Total revenues	<u>4,381,380</u>	<u>862,204</u>	<u>2,175,768</u>	<u>7,419,352</u>
Expenditures:				
Current:				
General government	74,529	-	823,465	897,994
Public safety	-	-	575,628	575,628
Environmental protection	-	-	-	-
Public works	-	-	3,842,014	3,842,014
Cultural and recreational	2,383,676	-	3,231,257	5,614,933
Economic and physical development	3,212,265	-	3,677,050	6,889,315
Debt Service:				
Principal retirement	-	4,444,501	-	4,444,501
Interest and fees	-	980,495	87,700	1,068,195
Total expenditures	<u>5,670,470</u>	<u>5,424,996</u>	<u>12,237,114</u>	<u>23,332,580</u>
Revenues over (under) expenditures	<u>(1,289,090)</u>	<u>(4,562,792)</u>	<u>(10,061,346)</u>	<u>(15,913,228)</u>
Other Financing Sources (Uses):				
Long-term debt issued	-	-	-	-
Bond proceeds	-	-	7,850,000	7,850,000
Premium received on debt issue	-	-	781,955	781,955
Transfers from other funds	1,680,141	4,819,754	6,367,205	12,867,100
Transfers to other funds	(155,759)	-	(3,457,793)	(3,613,552)
Total other financing sources (uses)	<u>1,524,382</u>	<u>4,819,754</u>	<u>11,541,367</u>	<u>17,885,503</u>
Net change in fund balances	235,292	256,962	1,480,021	1,972,275
Fund Balances:				
Fund balances, beginning of year – July 1,	<u>2,224,221</u>	<u>1,134,799</u>	<u>13,161,315</u>	<u>16,520,335</u>
Fund balances, end of year – June 30	<u>\$ 2,459,513</u>	<u>\$ 1,391,761</u>	<u>\$ 14,641,336</u>	<u>\$ 18,492,610</u>

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

Schedule C-1

JUNE 30, 2020

	Community Development and HOME Fund	Sheppard Memorial Library	Housing Trust Fund	Centralized Grant Fund	FEMA Fund	Donations Fund	Total
Assets:							
Cash and cash equivalents	\$ 321,107	\$ 1,226,661	\$ -	\$ -	\$ 238,561	\$ -	\$ 1,786,329
Accounts receivable, net	419,229	3,500	6,958	345,493	432	-	775,612
Interest receivable	-	1,132	-	-	-	-	1,132
Due from other funds	-	-	-	-	-	-	-
Due from other governments	1,404	41,107	18	-	-	-	42,529
Prepaid items	-	84,284	-	-	-	-	84,284
Restricted cash and investments	-	-	14,624	423,033	-	268,595	706,252
Total assets	\$ 741,740	\$ 1,356,684	\$ 21,600	\$ 768,526	\$ 238,993	\$ 268,595	\$ 3,396,138
Liabilities, Deferred Inflows of Resources, and Fund Balances:							
Liabilities:							
Accounts payable and accrued liabilities	\$ 121,533	\$ 9,818	\$ -	\$ 11,406	\$ 7,400	\$ -	\$ 150,157
Advances from grantors	-	-	-	167,842	-	-	167,842
Due to other funds	154,723	176,819	-	-	-	-	331,542
Total liabilities	276,256	186,637	-	179,248	7,400	-	649,541
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	-	84,284	-	-	-	-	84,284
Loans receivable	-	-	-	-	-	-	-
Restricted:							
Stabilization by State statute	477,971	45,739	6,975	379,689	2,948	-	913,322
Restricted for public safety	-	-	-	-	-	-	-
Restricted for general government	-	-	-	-	-	-	-
Restricted for culture and recreation	-	62,864	-	-	-	-	62,864
Restricted for economic and physical development	-	-	14,624	423,033	-	-	437,657
Restricted for donations	-	-	-	-	-	268,595	268,595
Committed:							
Committed for general government	-	-	-	-	-	-	-
Committed for cultural and recreational	-	25,000	-	-	-	-	25,000
Committed for economic and physical development	-	-	-	-	-	-	-
Committed for public safety	-	-	-	-	-	-	-
Assigned:							
Assigned for subsequent year's expenditures	-	23,801	-	-	-	-	23,801
Assigned for cultural and recreational	-	928,359	-	-	-	-	928,359
Unassigned	(299,571)	-	1	(213,444)	228,645	-	(284,369)
Total fund balances	178,400	1,170,047	21,600	589,278	231,593	268,595	2,459,513
Total liabilities, deferred inflows of resources, and fund balances	\$ 741,740	\$ 1,356,684	\$ 21,600	\$ 768,526	\$ 238,993	\$ 268,595	\$ 3,396,138

NONMAJOR SPECIAL REVENUE FUNDS

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

YEAR ENDED JUNE 30, 2020

	Community Development and HOME Fund	Sheppard Memorial Library	Housing Trust Fund	Centralized Grant Fund	FEMA Fund	Donations Fund	Total
Revenues:							
Restricted intergovernmental	\$ 1,711,888	\$ 1,002,731	\$ -	\$ 1,034,810	\$ 260,682	\$ -	4,010,111
Investment earnings	-	20,187	-	-	-	-	20,187
Other revenues	83,884	102,327	1,494	-	-	-	187,705
Restricted other revenues	-	-	-	-	-	163,377	163,377
Total revenues	<u>1,795,772</u>	<u>1,125,245</u>	<u>1,494</u>	<u>1,034,810</u>	<u>260,682</u>	<u>163,377</u>	<u>4,381,380</u>
Expenditures:							
Current:							
General government	-	-	-	-	74,529	-	74,529
Cultural and recreational	-	2,306,101	-	-	-	77,575	2,383,676
Public safety	-	-	-	-	-	-	-
Economic and physical development	<u>2,073,748</u>	-	<u>59</u>	<u>1,138,458</u>	-	-	<u>3,212,265</u>
Total expenditures	<u>2,073,748</u>	<u>2,306,101</u>	<u>59</u>	<u>1,138,458</u>	<u>74,529</u>	<u>77,575</u>	<u>5,670,470</u>
Revenues over (under) expenditures	<u>(277,976)</u>	<u>(1,180,856)</u>	<u>1,435</u>	<u>(103,648)</u>	<u>186,153</u>	<u>85,802</u>	<u>(1,289,090)</u>
Other Financing Sources (Uses):							
Transfers from other funds	319,125	1,308,057	-	52,959	-	-	1,680,141
Transfers to other funds	-	-	-	(27,419)	(128,340)	-	(155,759)
Total other financing sources	<u>319,125</u>	<u>1,308,057</u>	<u>-</u>	<u>25,540</u>	<u>(128,340)</u>	<u>-</u>	<u>1,524,382</u>
Net change in fund balances	41,149	127,201	1,435	(78,108)	57,813	85,802	235,292
Fund Balances:							
Fund balance, beginning of year – July 1	<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>
Fund balance, end of year – June 30	<u>\$ 178,400</u>	<u>\$ 1,170,047</u>	<u>\$ 21,600</u>	<u>\$ 589,278</u>	<u>\$ 231,593</u>	<u>\$ 268,595</u>	<u>\$ 2,459,513</u>

COMMUNITY DEVELOPMENT AND HOME FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2020

	<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	15,302,035	-	1,711,888	17,013,923
Consortium members	-	13,666	-	-	13,666
Loan payments	565,616	609,741	-	83,884	693,625
Interest income	-	25	-	-	25
Sale of acquired property	-	529,937	-	-	529,937
Total revenues	<u>6,590,353</u>	<u>16,497,974</u>	<u>-</u>	<u>1,795,772</u>	<u>18,293,746</u>
Expenditures:					
CDBG and Home Entitlement Program:					
Administration	3,015,700	4,565,956	-	636,788	5,202,744
Rehabilitation – third-party owned dwellings	2,942,324	7,126,586	-	1,205,837	8,332,423
Rehabilitation – rental	-	62,875	-	-	62,875
Outside agency funding	658,597	1,145,673	-	148,799	1,294,472
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	157,598	-	7,404	165,002
Secondary mortgage	736,285	763,060	-	40,000	803,060
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	3,860,737	-	34,920	3,895,657
Capital outlay	-	11,834	-	-	11,834
Total expenditures	<u>7,697,348</u>	<u>18,681,948</u>	<u>-</u>	<u>2,073,748</u>	<u>20,755,696</u>
Revenues under expenditures	<u>(1,106,995)</u>	<u>(2,183,974)</u>	<u>-</u>	<u>(277,976)</u>	<u>(2,461,950)</u>
Other Financing Sources (Uses):					
Transfers in (out):					
Transfers from other funds	1,217,155	3,187,582	-	319,125	3,506,707
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>2,321,225</u>	<u>-</u>	<u>319,125</u>	<u>2,640,350</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 137,251</u>	<u>\$ -</u>	<u>41,149</u>	<u>\$ 178,400</u>
Fund Balance:					
Fund balance, beginning of year – July 1				<u>137,251</u>	
Fund balance, end of year – June 30				<u>\$ 178,400</u>	

SHEPPARD MEMORIAL LIBRARY FUND

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

YEAR ENDED JUNE 30, 2020

	Budget	Actual	Variance Positive/ Negative
Revenues:			
Pitt County - operating	\$ 613,819	\$ 613,819	\$ -
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	190,504	(178)
Fees	112,500	76,054	(36,446)
Interest earnings	2,500	20,187	17,687
Greenville Housing Authority	10,692	10,692	-
Miscellaneous	32,000	15,581	(16,419)
Total revenues	<u>1,160,601</u>	<u>1,125,245</u>	<u>(35,356)</u>
Expenditures:			
Current:			
Cultural and recreational:			
Salaries and benefits	1,657,605	1,521,053	136,552
Greenville Housing Authority	10,692	10,709	(17)
Other operating expenditures	381,547	391,784	(10,237)
Maintenance and repairs	281,120	240,729	40,391
Capital outlay	185,000	141,826	43,174
Total expenditures	<u>2,515,964</u>	<u>2,306,101</u>	<u>209,863</u>
Revenues over (under) expenditures	<u>(1,355,363)</u>	<u>(1,180,856)</u>	<u>174,507</u>
Other Financing Sources (Uses):			
Transfers in - City of Greenville - operating	1,308,057	1,308,057	-
Appropriated fund balance	47,306	-	(47,306)
Total other financing sources (uses)	<u>1,355,363</u>	<u>1,308,057</u>	<u>(47,306)</u>
Net change in fund balance	<u>\$ -</u>	<u>127,201</u>	<u>\$ 127,201</u>
Fund Balances:			
Fund balance, beginning of year – July 1		<u>1,042,846</u>	
Fund balance, end of year – June 30		<u>\$ 1,170,047</u>	

HOUSING TRUST FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2020

	<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	<u>31,003</u>	<u>38,213</u>	<u>1,494</u>	<u>39,707</u>
Total revenues	<u>221,975</u>	<u>229,262</u>	<u>1,494</u>	<u>230,756</u>
Expenditures:				
Small area revitalization	22,332	22,876	-	22,876
Rehabilitation	221,113	215,374	-	215,374
Other expenditures	<u>99,530</u>	<u>91,847</u>	<u>59</u>	<u>91,906</u>
Total expenditures	<u>342,975</u>	<u>330,097</u>	<u>59</u>	<u>330,156</u>
Revenues under expenditures	(121,000)	(100,835)	1,435	(99,400)
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>\$ 20,165</u>	<u>1,435</u>	<u>\$ 21,600</u>
Fund Balance:				
Fund balance, beginning of year – July 1			<u>20,165</u>	
Fund balance, end of year – June 30			<u>\$ 21,600</u>	

CENTRALIZED GRANT PROJECTS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2020

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Federal and State grants	\$ 7,537,194	\$ 4,636,793	\$ 1,034,810	\$ 5,671,603
Investment income	-	1	-	1
Other revenue	-	2,211	-	2,211
Total revenues	<u>7,537,194</u>	<u>4,639,005</u>	<u>1,034,810</u>	<u>5,673,815</u>
Expenditures:				
Current:				
Economic and physical development	7,720,820	3,941,266	1,138,458	5,079,724
Capital outlay	<u>1,061,609</u>	<u>1,060,202</u>	-	<u>1,060,202</u>
Total expenditures	<u>8,782,429</u>	<u>5,001,468</u>	<u>1,138,458</u>	<u>6,139,926</u>
Revenues over (under) expenditures	<u>(1,245,235)</u>	<u>(362,463)</u>	<u>(103,648)</u>	<u>(466,111)</u>
Other Financing Sources (Uses):				
Transfers to other funds	(33,146)	(33,146)	(27,419)	(60,565)
Transfers from other funds	<u>1,278,381</u>	<u>1,062,995</u>	<u>52,959</u>	<u>1,115,954</u>
Total other financing sources	<u>1,245,235</u>	<u>1,029,849</u>	<u>25,540</u>	<u>1,055,389</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 667,386</u>	(78,108)	<u>\$ 589,278</u>
Fund Balance:				
Fund balance, beginning of year – July 1			<u>667,386</u>	
Fund balance, end of year – June 30			<u>\$ 589,278</u>	

FEMA FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2020

	Project Authorization	Prior Years	Current Year	Total
Revenues:				
Restricted Intergovernmental:				
Federal, State, and local grants	\$ 3,804,337	\$ 917,909	\$ 260,682	\$ 1,178,591
Mutual aid	-	68,764	-	68,764
Total restricted intergovernmental	<u>3,804,337</u>	<u>986,673</u>	<u>260,682</u>	<u>1,247,355</u>
Interest earned on investments	-	-	-	-
Total revenues	<u>3,804,337</u>	<u>986,673</u>	<u>260,682</u>	<u>1,247,355</u>
Expenditures:				
Current:				
General government:				
Hurricane Dorian	1,000,000	-	4,645	4,645
Hurricane Florence	508,674	388,564	62,484	451,048
Hurricane Matthew	<u>1,988,421</u>	<u>264,751</u>	<u>7,400</u>	<u>272,151</u>
Total expenditures	<u>3,497,095</u>	<u>653,315</u>	<u>74,529</u>	<u>727,844</u>
Revenues over (under) expenditures	<u>307,242</u>	<u>333,358</u>	<u>186,153</u>	<u>519,511</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>(128,340)</u>	<u>(288,518)</u>
Total other financing sources (uses)	<u>(307,242)</u>	<u>(159,578)</u>	<u>(128,340)</u>	<u>(287,918)</u>
Revenues and other financing sources (uses) over (under) expenditures	<u>\$ -</u>	<u>\$ 173,780</u>	57,813	<u>\$ 231,593</u>
Fund Balance:				
Fund balance, beginning of year – July 1			<u>173,780</u>	
Fund balance, end of year – June 30			<u>\$ 231,593</u>	

DONATIONS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2020

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Miscellaneous Restricted:				
Local				
Donations	\$ -	\$ 102,022	\$ 163,377	\$ 265,399
Total Miscellaneous Restricted	<u>-</u>	<u>102,022</u>	<u>163,377</u>	<u>265,399</u>
Expenditures:				
Current:				
General government	1,135	-	-	-
Public Safety	24,729	21,166	-	21,166
Cultural and recreational	175,236	96,894	77,575	174,469
Economic and Physical Development	2,188	4,457	-	4,457
Total expenditures	<u>203,288</u>	<u>122,517</u>	<u>77,575</u>	<u>200,092</u>
Revenues over (under) expenditures	<u>(203,288)</u>	<u>(20,495)</u>	<u>85,802</u>	<u>65,307</u>
Other Financing Sources:				
Transfer from other funds	<u>203,288</u>	<u>203,288</u>	-	<u>203,288</u>
Total other financing sources (uses)	<u>203,288</u>	<u>203,288</u>	-	<u>203,288</u>
Revenues and other financing sources (uses) over (under) expenditures	<u>\$ -</u>	<u>\$ 182,793</u>	85,802	<u>\$ 268,595</u>
Fund Balance:				
Fund balance, beginning of year – July 1			<u>182,793</u>	
Fund balance, end of year – June 30			<u>\$ 268,595</u>	

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

Schedule D-1

JUNE 30, 2020

	Affordable Housing Project Fund	Recreation and Parks Fund	Public Works Fund	Greenways Fund	Street Improvement Fund	Engineering Fund	Community Development Fund	IT Fund	Fire and Rescue Fund	Police Fund	Capital Reserve Fund	Total
Assets:												
Cash and cash equivalents	\$ 494,774	\$ 626,779	\$ 1	\$ 936,701	\$ -	\$ -	\$ 266,261	\$ 819,317	\$ -	\$ 276,695	\$ 5,913,686	\$ 9,334,214
Accounts receivable, net	305,963	-	147,402	-	-	-	-	-	-	-	-	453,365
Restricted cash and investments	-	-	1,598,489	-	4,877,879	-	-	-	-	132,906	-	6,609,274
Total assets	\$ 800,737	\$ 626,779	\$ 1,745,892	\$ 936,701	\$ 4,877,879	\$ -	\$ 266,261	\$ 819,317	\$ -	\$ 409,601	\$ 5,913,686	\$ 16,396,853
Liabilities, Deferred Inflows of Resources, and Fund Balances:												
Liabilities:												
Accounts payable and accrued liabilities	\$ 33,804	\$ 4,005	\$ 13,565	\$ 280,135	\$ -	\$ -	\$ 27,975	\$ 660,621	\$ -	\$ -	\$ -	\$ 1,020,105
Advances from grantors	-	-	30,872	-	-	-	-	-	-	-	-	30,872
Due to other funds	-	-	278,071	-	-	-	-	-	53,869	-	-	331,940
Restricted accounts payable and accrued liabilities	-	-	267,236	-	105,364	-	-	-	-	-	-	372,600
Total liabilities	33,804	4,005	589,744	280,135	105,364	-	27,975	660,621	53,869	-	-	1,755,517
Deferred Inflows of Resources:												
Accounts receivable	-	-	-	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balances:												
Restricted:												
Stabilization by State statute	-	217,494	438,260	163,233	454,313	-	14,675	21,816	-	-	-	1,309,791
Restricted for economic development	305,963	-	1,598,489	-	4,318,202	-	-	-	-	-	-	6,222,654
Loans receivable	-	-	-	-	-	-	-	-	-	-	-	-
Committed:												
Committed for general government	-	-	-	-	-	-	-	136,880	-	-	-	136,880
Committed for cultural and recreational	-	405,280	-	493,333	-	-	-	-	-	-	-	898,613
Committed for public safety	-	-	-	-	-	-	-	-	-	409,601	-	409,601
Committed for economic development	460,970	-	-	-	-	-	223,611	-	-	-	-	684,581
Committed for capital outlays	-	-	-	-	-	-	-	-	-	-	5,913,686	5,913,686
Unassigned	-	-	(880,601)	-	-	-	-	-	(53,869)	-	-	(934,470)
Total fund balances	766,933	622,774	1,156,148	656,566	4,772,515	-	238,286	158,696	(53,869)	409,601	5,913,686	14,641,336
Total liabilities, deferred inflows of resources, and fund balances	\$ 800,737	\$ 626,779	\$ 1,745,892	\$ 936,701	\$ 4,877,879	\$ -	\$ 266,261	\$ 819,317	\$ -	\$ 409,601	\$ 5,913,686	\$ 16,396,853

CITY OF GREENVILLE, NORTH CAROLINA

Schedule D-2

NONMAJOR CAPITAL PROJECTS FUNDS

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

YEAR ENDED JUNE 30, 2020

	Affordable Housing Project Fund	Recreation and Parks Fund	Public Works Fund	Greenways Fund	Street Improvement Fund	Engineering Fund	Community Development Fund	IT Fund	Fire and Rescue Fund	Police Fund	Capital Reserve Fund	Total
Revenues:												
Restricted intergovernmental	\$ -	\$ 216,555	\$ 1,045,194	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 1,411,749
Other taxes and licenses	-	-	-	-	-	-	-	-	-	-	-	-
Investment earnings	-	-	2,826	-	10,914	-	-	-	-	162	367	14,269
Other revenues	26,577	-	-	-	-	-	32,595	210,578	480,000	-	-	749,750
Total revenues	26,577	216,555	1,048,020	-	10,914	-	182,595	210,578	480,000	162	367	2,175,768
Expenditures:												
Current:												
General government	-	-	-	-	-	-	-	823,465	-	-	-	823,465
Public safety	-	-	-	-	-	-	-	-	533,869	41,759	-	575,628
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	3,842,014	-	-	-	-	-	-	3,842,014
Cultural and recreational	-	2,727,972	-	462,968	40,317	-	-	-	-	-	-	3,231,257
Economic and physical development	-	-	3,341,685	-	-	-	335,365	-	-	-	-	3,677,050
Total current expenditures	-	2,727,972	3,341,685	462,968	3,882,331	-	335,365	823,465	533,869	41,759	-	12,149,414
Debt service:												
Bond issuance costs	-	-	-	-	87,700	-	-	-	-	-	-	87,700
Total expenditures	-	2,727,972	3,341,685	462,968	3,970,031	-	335,365	823,465	533,869	41,759	-	12,237,114
Revenues over (under) expenditures	26,577	(2,511,417)	(2,293,665)	(462,968)	(3,959,117)	-	(152,770)	(612,887)	(53,869)	(41,597)	367	(10,061,346)
Other Financing Sources (Uses):												
Installment financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	7,850,000	-	-	-	-	-	-	7,850,000
Premium received on debt issue	-	-	-	-	781,955	-	-	-	-	-	-	781,955
Sale of property	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from other funds	-	584,305	2,877,240	535,798	1,002,567	-	-	560,413	-	-	806,882	6,367,205
Transfer to other funds	-	(29,852)	(1,837,722)	-	(648,038)	-	(82,965)	-	-	(113,142)	(746,074)	(3,457,793)
Total other financing sources	-	554,453	1,039,518	535,798	8,986,484	-	(82,965)	560,413	-	(113,142)	60,808	11,541,367
Net change in fund balances	26,577	(1,956,964)	(1,254,147)	72,830	5,027,367	-	(235,735)	(52,474)	(53,869)	(154,739)	61,175	1,480,021
Fund Balances:												
Fund balances, beginning of year – July 1,	740,356	2,579,738	2,410,295	583,736	(254,852)	-	474,021	211,170	-	564,340	5,852,511	13,161,315
Fund balances, end of year – June 30	\$ 766,933	\$ 622,774	\$ 1,156,148	\$ 656,566	\$ 4,772,515	\$ -	\$ 238,286	\$ 158,696	\$ (53,869)	\$ 409,601	\$ 5,913,686	\$ 14,641,336

AFFORDABLE HOUSING CAPITAL PROJECTS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2020

	<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	745,558	-	26,577	772,135
Sale of property	<u>1,706,000</u>	<u>1,807,737</u>	-	-	<u>1,807,737</u>
Total revenues	<u>2,378,600</u>	<u>2,744,225</u>	-	<u>26,577</u>	<u>2,770,802</u>
Expenditures:					
Current:					
Economic and Physical Development:					
Affordable Housing Project	<u>3,903,600</u>	<u>3,529,344</u>	-	-	<u>3,529,344</u>
Total expenditures	<u>3,903,600</u>	<u>3,529,344</u>	-	-	<u>3,529,344</u>
Revenues over (under) expenditures	<u>(1,525,000)</u>	<u>(785,119)</u>	-	<u>26,577</u>	<u>(758,542)</u>
Other Financing Sources:					
Transfer from General Fund	525,000	525,000	-	-	525,000
Bonds issued	<u>1,000,000</u>	<u>1,000,475</u>	-	-	<u>1,000,475</u>
Total other financing sources	<u>1,525,000</u>	<u>1,525,475</u>	-	-	<u>1,525,475</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 740,356</u>	<u>\$ -</u>	<u>26,577</u>	<u>\$ 766,933</u>
Fund Balance:					
Fund balances, beginning of year – July 1				<u>740,356</u>	
Fund balance, end of year – June 30				<u>\$ 766,933</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, 2020

	Project Authorization	Prior Years	Closed Projects	Current Year	Total
Revenues:					
Restricted Intergovernmental:					
Federal, State, and local grants	\$ 200,124	\$ 1,358,312	\$ (1,254,225)	\$ 216,555	\$ 320,642
Total restricted intergovernmental	<u>200,124</u>	<u>1,358,312</u>	<u>(1,254,225)</u>	<u>216,555</u>	<u>320,642</u>
Miscellaneous:					
Interest	-	173	-	-	173
Total miscellaneous	-	173	-	-	173
Total revenues	<u>200,124</u>	<u>1,358,485</u>	<u>(1,254,225)</u>	<u>216,555</u>	<u>320,815</u>
Expenditures:					
Current:					
Cultural and Recreational:					
Town Common	-	1,090,325	(1,067,325)	(23,000)	-
Sycamore Hill Gateway	1,446,965	10,013	-	1,771,886	1,781,899
East Side Park Development	-	12,070	(12,070)	-	-
West Side Park Development	-	97,336	(97,336)	-	-
Tar River Master Plan	-	1,807	-	-	1,807
Tar River Development	850,112	428,548	-	499,599	928,147
Westside Land Acquisitions	-	273,956	(273,956)	-	-
Thomas Foreman Press Box	-	29,950	(29,950)	-	-
Play Together Construction Grant	-	999,999	(999,999)	-	-
South Greenville Reconstruction	-	3,442,808	(3,442,808)	-	-
Volleyball Facility	320,000	-	-	319,934	319,934
Art Zoo Project	100,000	-	-	-	-
Water Sports Facility	274,942	107,140	-	159,553	266,693
Total cultural and recreational expenditures	<u>2,992,019</u>	<u>6,493,952</u>	<u>(5,923,444)</u>	<u>2,727,972</u>	<u>3,298,480</u>
Revenues over (under) expenditures	<u>(2,791,895)</u>	<u>(5,135,467)</u>	<u>4,669,219</u>	<u>(2,511,417)</u>	<u>(2,977,665)</u>
Other Financing Sources and Uses:					
Transfer from other Fund	2,800,895	5,619,105	(2,573,119)	584,305	3,630,291
Transfer to other Fund	(9,000)	-	-	(29,852)	(29,852)
Bonds issued	-	2,096,100	(2,096,100)	-	-
Total other financing sources	<u>2,791,895</u>	<u>7,715,205</u>	<u>(4,669,219)</u>	<u>554,453</u>	<u>3,600,439</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 2,579,738</u>	<u>\$ -</u>	<u>(1,956,964)</u>	<u>\$ 622,774</u>
Fund Balance:					
Fund balance, beginning of year – July 1				<u>2,579,738</u>	
Fund balance, end of year – June 30				<u>\$ 622,774</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, 2020

	Project Authorization	Prior Years	Closed Projects	Current Year	Total
Revenues:					
Restricted Intergovernmental:					
Federal, State, and local grants	\$ 24,698,934	\$ 12,478,164	\$ (308,546)	\$ 1,045,194	\$ 13,214,812
Total restricted intergovernmental	<u>24,698,934</u>	<u>12,478,164</u>	<u>(308,546)</u>	<u>1,045,194</u>	<u>13,214,812</u>
Miscellaneous:					
Other	2,982,230	372,593	(104,167)	-	268,426
Interest earnings	24,015	19,574	(9,425)	2,826	12,975
Occupancy taxes	372,610	2,108,805	-	-	2,108,805
Total miscellaneous	<u>3,378,855</u>	<u>2,500,972</u>	<u>(113,592)</u>	<u>2,826</u>	<u>2,390,206</u>
Total revenues	<u>28,077,789</u>	<u>14,979,136</u>	<u>(422,138)</u>	<u>1,048,020</u>	<u>15,605,018</u>
Expenditures:					
Current:					
Economic and Physical Development:					
Street Improvement	11,782,805	9,149,313	-	2,525,932	11,675,245
CVA Expansion Phase III	4,718,000	4,669,610	-	-	4,669,610
GTAC Project	9,336,917	9,948,434	-	37,305	9,985,739
King George Bridge	1,341,089	703,482	-	-	703,482
Street Lights/Pedestrian Safety	1,276,225	1,203,056	-	66,388	1,269,444
Sidewalk Development	1,405,540	953,294	-	-	953,294
Fire Station #2	244,655	129,365	-	-	129,365
Fire Station #3 Parking Lot	139,551	191,086	-	-	191,086
Computerized Traffic Signal System	8,883,151	-	-	-	-
Parking Lot Enhancement	81,903	4,866	-	27,103	31,969
Imperial Site Demolition	229,178	-	-	217,784	217,784
Safe Routes to Schools	1,409,463	174,416	-	467,173	641,589
Stantonsburg Road / 10th Street Connector	6,194,950	5,657,344	-	-	5,657,344
Thomas Langston Road Extension Project	-	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>50,623,161</u>	<u>39,215,298</u>	<u>(3,623,774)</u>	<u>3,341,685</u>	<u>38,933,209</u>
Revenues under expenditures	<u>(22,545,372)</u>	<u>(24,236,162)</u>	<u>3,201,636</u>	<u>(2,293,665)</u>	<u>(23,328,191)</u>
Other Financing Sources (Uses):					
Transfer from other funds	18,437,703	15,207,545	(304,833)	2,877,240	17,779,952
Transfers to other funds	(2,092,331)	(275,000)	-	(1,837,722)	(2,112,722)
Long-term debt issued	4,000,000	6,791,372	-	-	6,791,372
Bonds issued	2,200,000	4,922,540	(2,896,803)	-	2,025,737
Total other financing sources	<u>22,545,372</u>	<u>26,646,457</u>	<u>(3,201,636)</u>	<u>1,039,518</u>	<u>24,484,339</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ 2,410,295</u>	<u>\$ -</u>	<u>(1,254,147)</u>	<u>\$ 1,156,148</u>
Fund Balance:					
Fund balance, beginning of year – July 1				<u>2,410,295</u>	
Fund balance, end of year – June 30				<u>\$ 1,156,148</u>	

GREENWAYS CAPITAL PROJECTS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2020

	<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	\$ 2,579,921	\$ 2,494,984	\$ -	\$ -	\$ 2,494,984
Total restricted intergovernmental	<u>2,579,921</u>	<u>2,494,984</u>	<u>-</u>	<u>-</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>2,544,984</u>	<u>-</u>	<u>-</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	<u>1,184,511</u>	<u>714,461</u>	<u>-</u>	<u>462,968</u>	<u>1,177,429</u>
Total expenditures	<u>3,298,446</u>	<u>2,742,093</u>	<u>-</u>	<u>462,968</u>	<u>3,205,061</u>
Revenues over (under) expenditures	<u>(718,525)</u>	<u>(197,109)</u>	<u>-</u>	<u>(462,968)</u>	<u>(660,077)</u>
Other Financing Sources:					
Transfer from other funds	<u>718,525</u>	<u>780,845</u>	<u>-</u>	<u>535,798</u>	<u>1,316,643</u>
Total other financing sources	<u>718,525</u>	<u>780,845</u>	<u>-</u>	<u>535,798</u>	<u>1,316,643</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ 583,736</u>	<u>\$ -</u>	<u>\$ 72,830</u>	<u>\$ 656,566</u>
Fund Balance:					
Fund balance, beginning of year – July 1				<u>583,736</u>	
Fund balance, end of year – June 30				<u>\$ 656,566</u>	

STREET IMPROVEMENT CAPITAL PROJECTS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2020

	Project Authorization	Prior Years	Current Year	Total
Revenues:				
Miscellaneous:				
Investment income	\$ -	\$ 126,856	\$ 10,914	\$ 137,770
Total revenues	<u>-</u>	<u>126,856</u>	<u>10,914</u>	<u>137,770</u>
Expenditures:				
Current:				
General Government:				
West 5th Streetscape	1,950,000	132,757	-	132,757
Public Works:				
Statons Road/10th Street	1,750,000	1,616,748	-	1,616,748
Arlington Improvements	1,152,567	643,713	3,842,014	4,485,727
Safe Routes to Schools	198,556	-	-	-
Sidewalks	1,089,204	137,056	-	137,056
Total transportation expenditures	<u>4,190,327</u>	<u>2,397,517</u>	<u>3,842,014</u>	<u>6,239,531</u>
Environmental Protection:				
Bond resurfacing project	10,000,000	6,217,075	-	6,217,075
Cultural and Recreational:				
Eastside Greenway	240,000	199,090	40,317	239,407
Debt Service:				
Bond issuance costs	-	131,435	87,700	219,135
Total expenditures	<u>16,380,327</u>	<u>9,077,874</u>	<u>3,970,031</u>	<u>13,047,905</u>
Revenues under expenditures	<u>(16,380,327)</u>	<u>(8,951,018)</u>	<u>(3,959,117)</u>	<u>(12,910,135)</u>
Other Financing Sources:				
Transfers to other funds	(472,240)	-	(648,038)	(648,038)
Transfers from other funds	1,002,567	-	1,002,567	1,002,567
Bond proceeds	15,850,000	8,000,000	7,850,000	15,850,000
Premium on bonds	-	696,166	781,955	1,478,121
Total other financing sources	<u>16,380,327</u>	<u>8,696,166</u>	<u>8,986,484</u>	<u>17,682,650</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ (254,852)</u>	<u>5,027,367</u>	<u>\$ 4,772,515</u>
Fund Balance:				
Fund balance, beginning of year – July 1			<u>(254,852)</u>	
Fund balance, end of year – June 30			<u>\$ 4,772,515</u>	

ENGINEERING CAPITAL PROJECT FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2020

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Closed Projects</u>	<u>Current Year</u>	<u>Total</u>
Revenues:					
Restricted Intergovernmental					
Federal and State Grants	\$ 15,000,000	-	-	-	\$ -
Total Restricted Intergovernmental	<u>15,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Micellaneous:					
Other revenues	1,170,000	-	-	-	-
Total Miscellaneous	<u>1,170,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>16,170,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:					
Current:					
Economic and Physical Development					
Build Grant	24,000,000	-	-	-	-
Total expenditures	<u>24,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues under expenditures	<u>(7,830,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):					
Transfer from other funds	7,830,000	-	-	-	-
Total other financing sources	<u>7,830,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Fund Balance:					
Fund balance, beginning of year – July 1				-	
Fund balance, end of year – June 30				<u>\$ -</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, 2020

	Project Authorization	Prior Years	Closed Projects	Current Year	Total
Revenues:					
Restricted Intergovernmental:					
Federal, State, and local grants	\$ 700,000	\$ 565,162	\$ -	\$ 150,000	\$ 715,162
State grants and contributions	7,500	-	-	-	-
Total restricted intergovernmental	<u>707,500</u>	<u>565,162</u>	<u>-</u>	<u>150,000</u>	<u>715,162</u>
Miscellaneous:					
Other	1,156,554	583,825	-	32,595	616,420
Sales and services	-	530,831	-	-	530,831
Interest earnings	399,640	406,577	-	-	406,577
Total miscellaneous	<u>1,556,194</u>	<u>1,521,233</u>	<u>-</u>	<u>32,595</u>	<u>1,553,828</u>
Total revenues	<u>2,263,694</u>	<u>2,086,395</u>	<u>-</u>	<u>182,595</u>	<u>2,268,990</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	5,188,656	-	-	5,188,656
Imperial Site Project	957,035	958,085	-	-	958,085
GUC Energy Improvement	675,000	350,497	-	233,619	584,116
Energy Efficiency Revolving Loan	260,121	251,056	-	-	251,056
West Greenville Revitalization	6,270,917	6,149,884	-	101,746	6,251,630
Total expenditures	<u>18,542,022</u>	<u>17,973,667</u>	<u>-</u>	<u>335,365</u>	<u>18,309,032</u>
Revenues over (under) expenditures	<u>(16,278,328)</u>	<u>(15,887,272)</u>	<u>-</u>	<u>(152,770)</u>	<u>(16,040,042)</u>
Other Financing Sources (Uses):					
Transfers to other funds	(243,465)	(160,500)	-	(82,965)	(243,465)
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>(82,965)</u>	<u>16,278,328</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ 474,021</u>	<u>\$ -</u>	<u>(235,735)</u>	<u>\$ 238,286</u>
Fund Balance:					
Fund balance, beginning of year – July 1				<u>474,021</u>	
Fund balance, end of year – June 30				<u>\$ 238,286</u>	

IT CAPITAL PROJECTS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2020

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Closed Projects</u>	<u>Current Year</u>	<u>Total</u>
Revenues:					
Miscellaneous:					
Other revenues	\$ -	\$ -	\$ -	\$ 210,578	\$ 210,578
Total Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>210,578</u>	<u>210,578</u>
Expenditures:					
Current:					
General Government:					
IT Hardware Upgrades	770,991	-	-	660,621	660,621
ERP	<u>2,500,000</u>	<u>2,288,830</u>	<u>-</u>	<u>162,844</u>	<u>2,451,674</u>
Total expenditures	<u>3,270,991</u>	<u>2,288,830</u>	<u>-</u>	<u>823,465</u>	<u>3,112,295</u>
Revenues under expenditures	<u>(3,270,991)</u>	<u>(2,288,830)</u>	<u>-</u>	<u>(612,887)</u>	<u>(2,901,717)</u>
Other Financing Sources (Uses):					
Transfer from other funds	<u>3,270,991</u>	<u>2,500,000</u>	<u>-</u>	<u>560,413</u>	<u>3,060,413</u>
Total other financing sources	<u>3,270,991</u>	<u>2,500,000</u>	<u>-</u>	<u>560,413</u>	<u>3,060,413</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 211,170</u>	<u>\$ -</u>	<u>(52,474)</u>	<u>\$ 158,696</u>
Fund Balance:					
Fund balance, beginning of year – July 1				<u>211,170</u>	
Fund balance, end of year – June 30				<u>\$ 158,696</u>	

CITY OF GREENVILLE, NORTH CAROLINA
FIRE AND RESCUE CAPITAL PROJECTS FUND

Schedule D-11

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2020

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Closed Projects</u>	<u>Current Year</u>	<u>Total</u>
Revenues:					
Micellaneous:					
Sale of Property	\$ 480,000	\$ -	\$ -	\$ 480,000	\$ 480,000
Total miscellaneous	<u>480,000</u>	<u>-</u>	<u>-</u>	<u>480,000</u>	<u>480,000</u>
Total revenues	<u>480,000</u>	<u>-</u>	<u>-</u>	<u>480,000</u>	<u>480,000</u>
Expenditures:					
Current:					
Public Safety:					
Fire Station #7	6,480,000	-	-	533,832	533,832
Fire Station #1 Bay Expansion	600,000	-	-	37	37
Total expenditures	<u>7,080,000</u>	<u>-</u>	<u>-</u>	<u>533,869</u>	<u>533,869</u>
Revenues over (under) expenditures	<u>(6,600,000)</u>	<u>-</u>	<u>-</u>	<u>(53,869)</u>	<u>(53,869)</u>
Other Financing Sources (Uses):					
Proceeds from installment financing	<u>6,600,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>6,600,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other financing sources (uses) over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(53,869)</u>	<u>\$ (53,869)</u>
Fund Balance:					
Beginning of year – July 1				<u>-</u>	
End of year – June 30				<u>\$ (53,869)</u>	

POLICE CAPITAL PROJECTS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2020

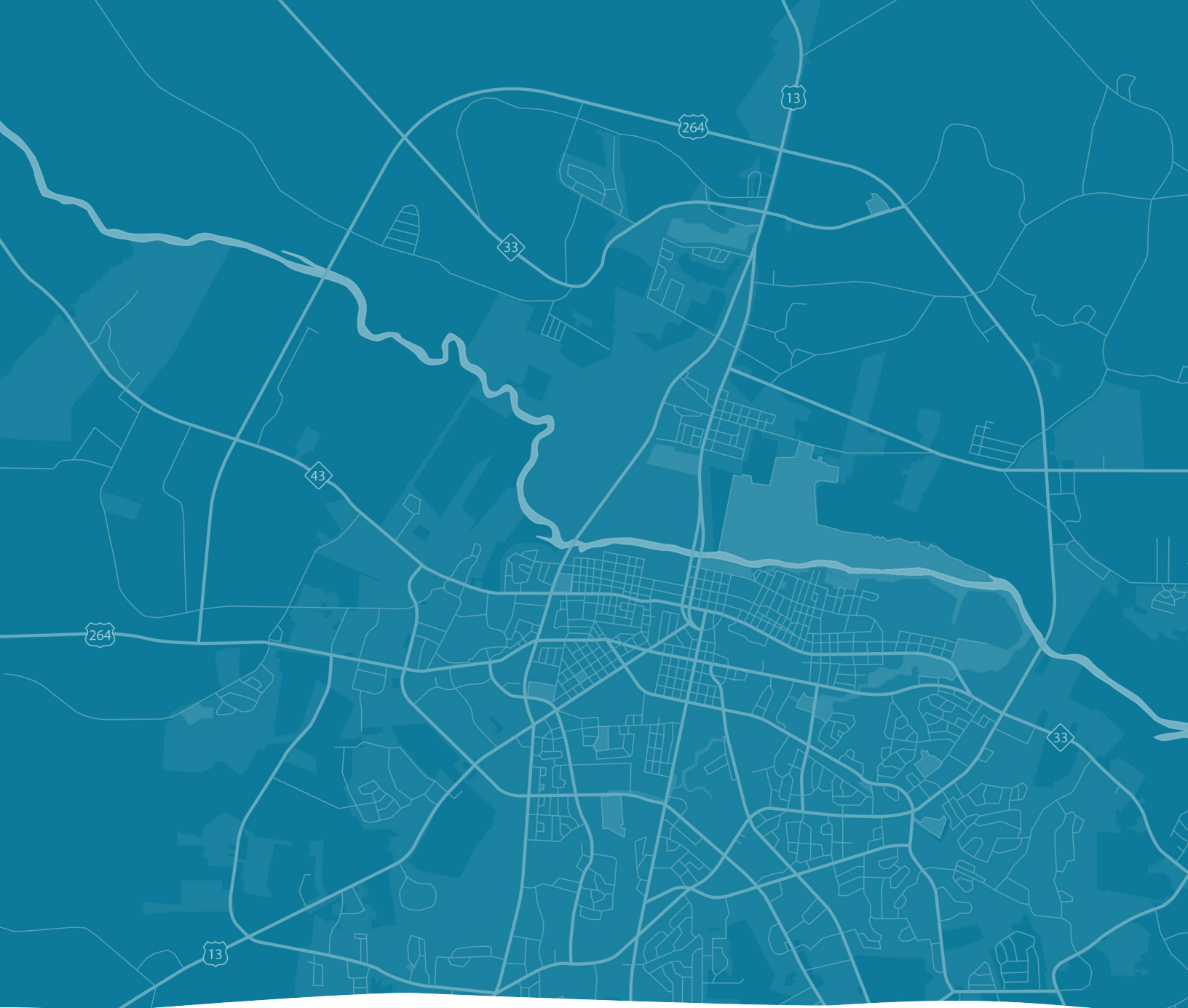
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Closed Projects</u>	<u>Current Year</u>	<u>Total</u>
Revenues:					
Miscellaneous:					
Other	\$ -	\$ 19,604	\$ -	\$ -	\$ 19,604
Interest earnings	-	6,393	-	162	6,555
Total miscellaneous	-	25,997	-	162	26,159
Total revenues	-	25,997	-	162	26,159
Expenditures:					
Current:					
Public Safety:					
New Technology for Public Safety	3,596,358	2,655,371	-	-	2,655,371
911 Communication System	-	309,617	(309,617)	-	-
Police Telecommunications Software	1,159,676	888,761	-	5,967	894,728
Police Storage Facility	1,832,314	1,590,762	-	35,792	1,626,554
Total expenditures	6,588,348	5,444,511	(309,617)	41,759	5,176,653
Revenues under expenditures	(6,588,348)	(5,418,514)	309,617	(41,597)	(5,150,494)
Other Financing Sources (Uses):					
Proceeds from installment financing	2,483,034	2,462,778	-	-	2,462,778
Bond proceeds	-	-	-	-	-
Transfer from other funds	4,218,456	4,282,006	(309,617)	-	3,972,389
Transfer to other funds	(113,142)	(761,930)	-	(113,142)	(875,072)
Total other financing sources	6,588,348	5,982,854	(309,617)	(113,142)	5,560,095
Revenues and other financing sources over expenditures	\$ -	\$ 564,340	\$ -	(154,739)	\$ 409,601
Fund Balance:					
Fund balance, beginning of year – July 1				564,340	
Fund balance, end of year – June 30				\$ 409,601	

CAPITAL RESERVE FUND

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

YEAR ENDED JUNE 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ Negative</u>
Revenues:			
Investment earnings	\$ -	\$ 367	\$ 367
Total revenues	<u>-</u>	<u>367</u>	<u>367</u>
Revenues over expenditures	<u>-</u>	<u>367</u>	<u>367</u>
Other Financing Sources (Uses):			
Appropriated fund balance	746,074	-	(746,074)
Increase in reserve	(806,882)	-	806,882
Transfers from other funds	806,882	806,882	-
Transfers to other funds	(746,074)	(746,074)	-
Total other financing sources	<u>-</u>	<u>60,808</u>	<u>60,808</u>
Net change in fund balance	<u>\$ -</u>	<u>61,175</u>	<u>\$ 61,175</u>
Fund Balance:			
Fund balance, beginning of year – July 1		<u>5,852,511</u>	
Fund balance, end of year – July 1		<u>\$ 5,913,686</u>	



Debt Service Fund Statements

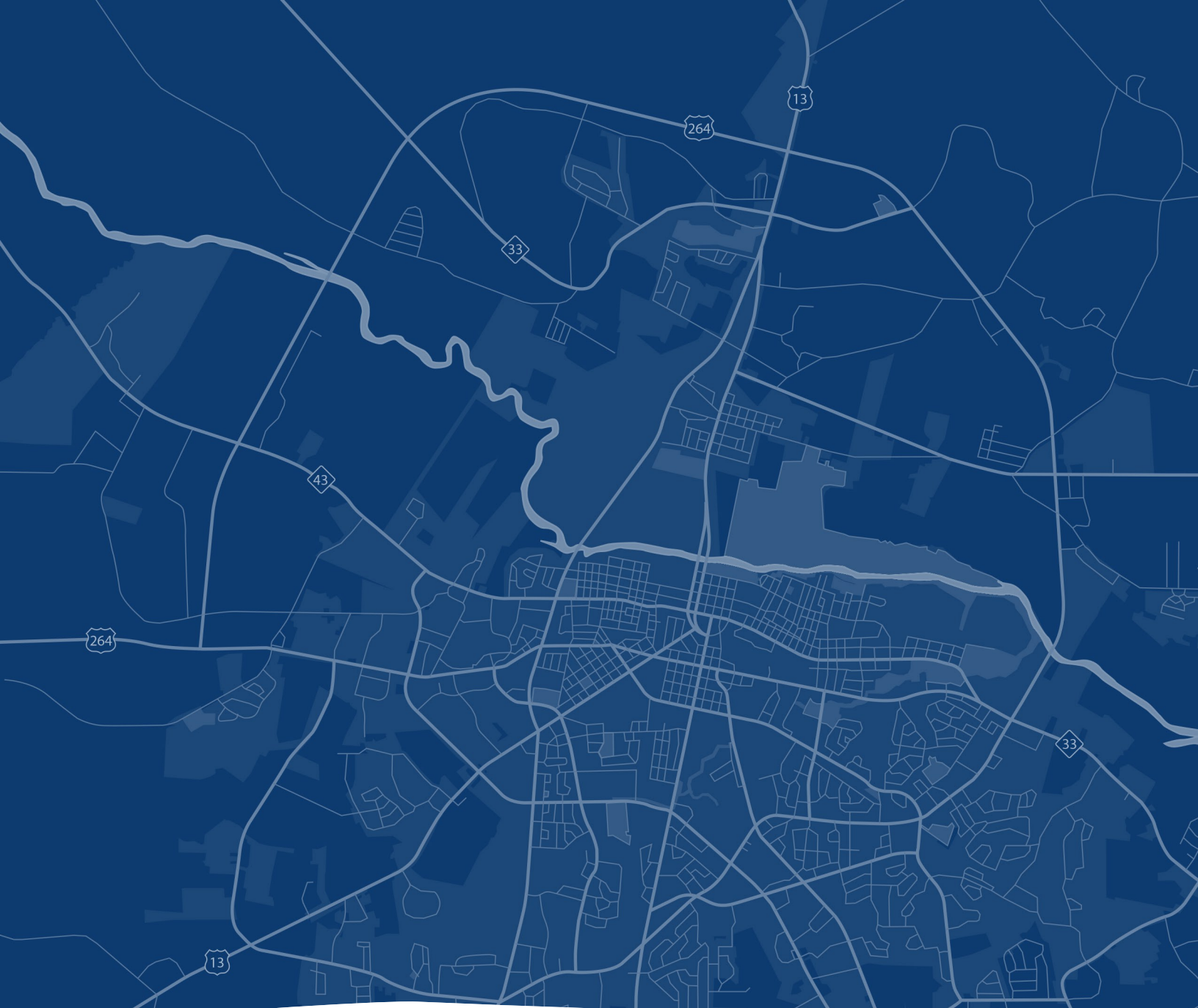
Comprehensive Annual Financial Report
Fiscal year ending June 30, 2020

NONMAJOR DEBT SERVICE FUND

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

YEAR ENDED JUNE 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ Negative</u>
Revenues:			
Other taxes	\$ 740,127	\$ 813,723	\$ 73,596
Energy efficient refund	-	-	-
Investment earnings	-	48,481	48,481
Total revenues	<u>740,127</u>	<u>862,204</u>	<u>122,077</u>
Expenditures:			
Current:			
Principal retirement	4,513,269	4,444,501	68,768
Interest and fees	1,046,612	980,495	66,117
Total expenditures	<u>5,559,881</u>	<u>5,424,996</u>	<u>134,885</u>
Revenues over (under) expenditures	<u>(4,819,754)</u>	<u>(4,562,792)</u>	<u>256,962</u>
Other Financing Sources:			
Appropriated fund balance	-	-	-
Transfers from other funds	4,819,754	4,819,754	-
Total other financing sources	<u>4,819,754</u>	<u>4,819,754</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>256,962</u>	<u>\$ 256,962</u>
Fund Balance:			
Fund balance, beginning of year – July 1		<u>1,134,799</u>	
Fund balance, end of year – June 30		<u>\$ 1,391,761</u>	



Proprietary Fund Financial Statements

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2020

ELECTRIC OPERATING FUND – MAJOR ENTERPRISE FUND

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

YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2019

	2020		Variance Positive/ Negative	2019
	Budget	Actual		Actual
Revenues:				
Operating Revenues:				
Rates and charges	\$ 170,048,818	\$ 168,333,697	\$ (1,715,121)	\$ 174,263,970
Fees and charges	1,504,684	1,727,012	222,328	2,978,207
Miscellaneous	491,444	502,904	11,460	691,439
Total operating revenues	<u>172,044,946</u>	<u>170,563,613</u>	<u>(1,481,333)</u>	<u>177,933,616</u>
Nonoperating Revenues:				
Interest on investments	935,000	986,260	51,260	1,103,310
FEMA/insurance reimbursements	41,959	293,486	251,527	497,794
Miscellaneous	925,295	651,561	(273,734)	798,394
Total nonoperating revenues	<u>1,902,254</u>	<u>1,931,307</u>	<u>29,053</u>	<u>2,399,498</u>
Total revenues	<u>173,947,200</u>	<u>172,494,920</u>	<u>(1,452,280)</u>	<u>180,333,114</u>
Expenditures:				
Electric Fund:				
Operations and maintenance		158,333,743		161,496,706
Capital outlay		10,188,931		9,357,350
Debt service		3,327,470		3,757,021
Total expenditures	<u>178,110,712</u>	<u>171,850,144</u>	<u>6,260,568</u>	<u>174,611,077</u>
Excess of revenues over expenditures	<u>(4,163,512)</u>	<u>644,776</u>	<u>4,808,288</u>	<u>5,722,037</u>
Other Financing Sources (Uses):				
Revenue bonds issued	-	-	-	271,258
Intrafund transfers in	4,163,512	-	(4,163,512)	-
Intrafund transfers out	-	(499,995)	(499,995)	(3,300,000)
Total other financing uses	<u>4,163,512</u>	<u>(499,995)</u>	<u>(4,663,507)</u>	<u>(3,028,742)</u>
Revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 144,781</u>	<u>\$ 144,781</u>	<u>\$ 2,693,295</u>
Reconciliation to full accrual basis from modified accrual basis:				
Revenues over expenditures		\$ 144,781		\$ 2,693,295
Budgetary appropriations – capital		10,188,931		9,357,350
Budgetary appropriations – debt principal		1,350,098		2,202,361
Depreciation		(10,170,187)		(9,725,679)
Debt issued		-		(271,258)
Amortization of bond premium and discount		281,487		134,567
Amortization of deferred loss on refundings		(54,310)		(59,778)
Changes in accrued interest payable		(379,279)		(282,190)
Changes in unrealized gains/losses on investments		382,929		354,307
Intra-fund transfers		499,995		3,300,000
Changes in deferred outflows for OPEB		1,902,172		4,043,041
Changes in net OPEB liability		(3,114,026)		(4,557,001)
Changes in deferred inflows for OPEB		439,378		183,601
Changes in deferred outflows for pensions		(588,836)		1,310,820
Changes in net pension liability		(529,623)		(1,674,282)
Changes in deferred inflows for pensions		(14,998)		56,647
Revenue recognized in stabilization funds		448,284		499,930
Revenue recognized in capital projects		625,989		196,456
Total reconciling items		<u>1,268,004</u>		<u>5,068,892</u>
Changes in net position		<u>\$ 1,412,785</u>		<u>\$ 7,762,187</u>

WATER OPERATING FUND – MAJOR ENTERPRISE FUND

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

YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2019

	2020		Variance Positive/ Negative	2019
	Budget	Actual		Actual
Revenues:				
Operating Revenues:				
Rates and charges	\$ 22,609,401	\$ 22,565,044	\$ (44,357)	\$ 21,037,132
Fees and charges	427,332	502,057	74,725	445,694
Miscellaneous	107,689	109,495	1,806	116,747
Total operating revenues	<u>23,144,422</u>	<u>23,176,596</u>	<u>32,174</u>	<u>21,599,573</u>
Nonoperating Revenues:				
Interest on investments	140,000	155,847	15,847	156,586
FEMA/Insurance reimbursements	2,622	36,504	33,882	29,490
Miscellaneous	<u>246,544</u>	<u>309,715</u>	<u>63,171</u>	<u>221,399</u>
Total nonoperating revenues	<u>389,166</u>	<u>502,066</u>	<u>112,900</u>	<u>407,475</u>
Total revenues	<u>23,533,588</u>	<u>23,678,662</u>	<u>145,074</u>	<u>22,007,048</u>
Expenditures:				
Operations and maintenance		14,772,323		14,139,657
Capital outlay		1,429,393		646,515
Debt service		1,817,318		5,124,958
Total expenditures	<u>18,075,356</u>	<u>18,019,034</u>	<u>56,322</u>	<u>19,911,130</u>
Excess of revenues over expenditures	<u>5,458,232</u>	<u>5,659,628</u>	<u>201,396</u>	<u>2,095,918</u>
Other Financing Sources (Uses):				
Revenue bonds issued	-	-	-	82,168
Intrafund transfers out	(5,458,232)	(5,850,000)	(391,768)	(2,766,664)
Capital contributions	-	942,272	942,272	831,471
Total other financing uses	<u>(5,458,232)</u>	<u>(4,907,728)</u>	<u>550,504</u>	<u>(1,853,025)</u>
Revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 751,900</u>	<u>\$ 751,900</u>	<u>\$ 242,893</u>
Reconciliation to full accrual basis from modified accrual basis:				
Revenues over expenditures		<u>\$ 751,900</u>		<u>\$ 242,893</u>
Budgetary appropriations - capital		1,429,393		646,515
Budgetary appropriations - debt principal		997,319		4,356,631
Depreciation		(4,072,819)		(4,009,278)
Debt issued		-		(82,168)
Amortization of bond premium and discount		117,971		171,659
Amortization of deferred loss on refundings		(47,374)		(142,517)
Changes in accrued interest payable		(106,715)		(89,549)
Changes in unrealized gains/losses on investments		65,459		51,412
Intra-fund transfers		5,850,000		2,766,664
Changes in deferred outflows for OPEB		1,020,678		2,169,437
Changes in net OPEB liability		(1,670,941)		(2,445,221)
Changes in deferred inflows for OPEB		235,764		98,518
Changes in deferred outflows for pensions		(315,961)		703,367
Changes in net pension liability		(284,188)		(898,395)
Changes in deferred inflows for pensions		(8,048)		30,396
Revenue recognized in Capital Projects Fund		205,424		72,090
Revenue recognized in Capital Reserve Fund		420,212		355,768
Total reconciling items		<u>3,836,174</u>		<u>3,755,329</u>
Changes in net position		<u>\$ 4,588,074</u>		<u>\$ 3,998,222</u>

SEWER OPERATING FUND – MAJOR ENTERPRISE FUND

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

YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2019

	2020		Variance Positive/ Negative	2019
	Budget	Actual		Actual
Revenues:				
Operating Revenues:				
Rates and charges	\$ 24,013,310	\$ 23,369,041	\$ (644,269)	\$ 23,859,199
Fees and charges	402,606	459,081	56,475	489,939
Miscellaneous	108,583	113,024	4,441	119,184
Total operating revenues	<u>24,524,499</u>	<u>23,941,146</u>	<u>(583,353)</u>	<u>24,468,322</u>
Nonoperating Revenues:				
Interest on investments	165,000	180,071	15,071	199,960
FEMA/insurance reimbursements	27,757	37,344	9,587	29,490
Miscellaneous	42,194	83,974	41,780	265,553
Total nonoperating revenues	<u>234,951</u>	<u>301,389</u>	<u>66,438</u>	<u>495,003</u>
Total revenues	<u>24,759,450</u>	<u>24,242,535</u>	<u>(516,915)</u>	<u>24,963,325</u>
Expenditures:				
Sewer Fund:				
Operations and maintenance		13,775,976		13,575,684
Capital outlay		1,774,250		1,537,251
Debt service		5,519,461		6,198,950
Total expenditures	<u>22,272,738</u>	<u>21,069,687</u>	<u>1,203,051</u>	<u>21,311,885</u>
Excess of revenues over expenditures	<u>2,486,712</u>	<u>3,172,848</u>	<u>686,136</u>	<u>3,651,440</u>
Other Financing Sources (Uses):				
Revenue bonds issued	-	-	-	68,082
Intrafund transfer out	(2,486,712)	(3,675,279)	(1,188,567)	(3,100,000)
Capital contributions	-	4,336,004	4,336,004	996,050
Total other financing uses	<u>(2,486,712)</u>	<u>660,725</u>	<u>3,147,437</u>	<u>(2,035,868)</u>
Revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 3,833,573</u>	<u>\$ 3,833,573</u>	<u>\$ 1,615,572</u>
Reconciliation to full accrual basis from modified accrual basis:				
Revenues over (under) expenditures		\$ 3,833,573		\$ 1,615,572
Budgetary appropriations - capital		1,774,250		1,537,251
Budgetary appropriations - debt principal		3,927,485		4,604,020
Depreciation		(6,492,806)		(6,094,622)
Debt issued		-		(68,082)
Amortization of bond premium and discount		122,624		101,526
Amortization of deferred loss on refundings		(51,028)		(53,520)
Changes in accrued interest payable		(75,728)		(107,323)
Changes in unrealized gains/losses on investments		103,379		86,804
Intra-fund transfers		3,675,279		3,100,000
Changes in deferred outflows for OPEB		974,284		2,070,826
Changes in net OPEB liability		(1,594,989)		(2,334,074)
Changes in deferred inflows for OPEB		225,047		94,040
Changes in deferred outflows for pensions		(301,599)		671,396
Changes in net pension liability		(271,270)		(857,559)
Changes in deferred inflows for pensions		(7,682)		29,014
Revenue recognized in Capital Projects Fund		557,428		215,877
Revenue recognized in Capital Reserve Fund		432,436		427,082
Total reconciling items		<u>2,997,110</u>		<u>3,422,656</u>
Changes in net position		<u>\$ 6,830,683</u>		<u>\$ 5,038,228</u>

GAS OPERATING FUND – MAJOR ENTERPRISE FUND

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

YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2019

	2020		Variance Positive/ Negative	2019
	Budget	Actual		Actual
Revenues:				
Operating Revenues:				
Rates and charges	\$ 31,777,519	\$ 31,200,552	\$ (576,967)	\$ 35,796,087
Fees and charges	163,840	193,063	29,223	174,328
Miscellaneous	95,601	98,108	2,507	109,291
Total operating revenues	<u>32,036,960</u>	<u>31,491,723</u>	<u>(545,237)</u>	<u>36,079,706</u>
Nonoperating Revenues:				
Interest on investments	260,000	282,475	22,475	304,608
FEMA/insurance reimbursements	5,245	39,754	34,509	25,804
Miscellaneous	55,532	310,775	255,243	96,919
Total nonoperating revenues	<u>320,777</u>	<u>633,004</u>	<u>312,227</u>	<u>427,331</u>
Total revenues	<u>32,357,737</u>	<u>32,124,727</u>	<u>(233,010)</u>	<u>36,507,037</u>
Expenditures:				
Gas Fund:				
Operations and maintenance		27,120,364		30,994,546
Capital outlay		1,130,455		1,110,162
Debt service		1,241,921		1,389,007
Total expenditures	<u>31,407,402</u>	<u>29,492,740</u>	<u>1,914,662</u>	<u>33,493,715</u>
Excess of revenues over (under) expenditures	<u>950,335</u>	<u>2,631,987</u>	<u>1,681,652</u>	<u>3,013,322</u>
Other Financing Sources (Uses):				
Revenue bonds issued	-	-	-	65,434
Intrafund transfers out	<u>(950,335)</u>	<u>(2,250,268)</u>	<u>(1,299,933)</u>	<u>(2,890,000)</u>
Total other financing sources (uses)	<u>(950,335)</u>	<u>(2,250,268)</u>	<u>(1,299,933)</u>	<u>(2,824,566)</u>
Revenues and other financing sources under expenditures and other financing uses	<u>\$ -</u>	<u>\$ 381,719</u>	<u>\$ 381,719</u>	<u>\$ 188,756</u>
Reconciliation to Full Accrual Basis From Modified Accrual Basis:				
Revenues over (under) expenditures		\$ 381,719		\$ 188,756
Budgetary appropriations - capital		1,130,455		1,110,162
Budgetary appropriations - debt principal		578,747		819,486
Depreciation		(2,336,214)		(2,374,751)
Debt issued		-		(65,434)
Amortization of bond premium and discount		83,678		49,850
Amortization of deferred loss on refundings		(21,344)		(22,075)
Changes in accrued interest payable		(89,321)		(96,577)
Changes in unrealized gains/losses on investments		129,745		110,983
Intra-fund transfers		2,250,268		2,890,000
Changes in deferred outflows for OPEB		742,311		1,577,772
Changes in net OPEB liability		(1,215,229)		(1,778,342)
Changes in deferred inflows for OPEB		171,464		71,649
Changes in deferred outflows for pensions		(229,790)		511,540
Changes in net pension liability		(206,682)		(653,378)
Changes in deferred inflows for pensions		(5,853)		22,106
Revenue recognized in Rate Stabilization Fund		29,879		18,188
Revenue recognized in Capital Projects Fund		249,772		181,466
Total reconciling items		<u>1,261,886</u>		<u>2,372,645</u>
Changes in net position		<u>\$ 1,643,605</u>		<u>\$ 2,561,401</u>

STORMWATER UTILITY FUND – MAJOR ENTERPRISE FUND

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

YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2019

	2020		Variance Positive/ Negative	2019
	Budget	Actual		Actual
Revenues:				
Charges for services	\$ 5,941,000	\$ 6,102,419	\$ 161,419	\$ 6,142,671
Other operating revenue	-	211	211	-
Total operating revenues	<u>5,941,000</u>	<u>6,102,630</u>	<u>161,630</u>	<u>6,142,671</u>
Expenditures:				
Administrative and general	113,556	147,777	(34,221)	-
Operations and maintenance	1,044,051	503,758	540,293	602,891
Salaries and benefits	2,577,646	1,239,285	1,338,361	1,128,407
Capital outlay	3,871,544	1,075,988	2,795,556	2,286,337
Retirement of long-term debt	332,913	393,291	(60,378)	375,083
Interest paid	148,361	27,519	120,842	58,894
Indirect cost reimbursement	435,791	435,791	-	435,791
Total operating expenses	<u>8,523,862</u>	<u>3,823,409</u>	<u>4,700,453</u>	<u>4,887,403</u>
Revenues over expenditures	<u>(2,582,862)</u>	<u>2,279,221</u>	<u>4,862,083</u>	<u>1,255,268</u>
Other Financing Sources (Uses):				
Capital contributions	-	1,257,315	1,257,315	923,433
Transfers to other funds	(2,238,590)	(2,238,590)	-	(1,296,265)
Appropriated fund balance	4,821,452	-	(4,821,452)	-
Total other financing sources (uses)	<u>2,582,862</u>	<u>(981,275)</u>	<u>(3,564,137)</u>	<u>(372,832)</u>
Revenues and other financing sources (uses) over expenditures and other financing uses	<u>\$ -</u>	<u>1,297,946</u>	<u>\$ 1,297,946</u>	<u>882,436</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:				
Full accrual change in net position--capital projects		2,238,590		1,264,082
Depreciation		(211,914)		(322,377)
Amortization of refunding loss		(7,847)		(23,542)
Increase in deferred outflows of resources - pensions		(28,626)		71,269
Increase in deferred outflows of resources - OPEB		12,800		10,043
Decrease (increase) in net pension liability		(54,085)		(84,097)
Decrease (increase) in net OPEB liability		20,906		86,007
(Increase) decrease in deferred inflows of resources - pensions		7,510		4,158
(Increase) decrease in deferred inflows of resources - OPEB		10,210		(117,698)
Capital outlay		488,436		221,374
Payment of debt principal		<u>393,291</u>		<u>375,083</u>
Change in net position		<u>\$ 4,167,217</u>		<u>\$ 2,366,738</u>

ENTERPRISE CAPITAL PROJECTS FUND – MAJOR ENTERPRISE FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2020

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Closed Projects</u>	<u>Current Year</u>	<u>Total</u>
Revenues:					
Miscellaneous:					
Other	\$ -	\$ 10,000	\$ -	\$ -	\$ 10,000
Interest earnings	-	156	-	-	156
Total miscellaneous	-	10,156	-	-	10,156
Interest earned on investments	-	-	-	-	-
Total revenues	-	10,156	-	-	10,156
Expenditures:					
Current:					
Stormwater:					
Stormwater Drainage Maintenance	199,828	124,611	-	-	124,611
Watershed	7,265,270	3,709,839	-	1,136,489	4,846,328
Town Creek Culvert	34,292,975	16,412,069	-	12,052,059	28,464,128
Total expenditures	41,758,073	20,246,519	-	13,188,548	33,435,067
Revenues under expenditures	(41,758,073)	(20,236,363)	-	(13,188,548)	(33,424,911)
Other Financing Sources (Uses):					
Capital Contributions	195,490	179,747	-	-	179,747
State revolving loan	30,540,283	17,693,630	-	11,935,636	29,629,266
Transfers from other funds	12,103,472	9,350,780	-	2,238,590	11,589,370
Transfer to other funds	(1,081,172)	(1,081,172)	-	-	(1,081,172)
Total other financing sources	41,758,073	26,142,985	-	14,174,226	40,317,211
Revenues and other financing sources over (under) expenditures	\$ -	\$ 5,906,622	\$ -	985,678	\$ 6,892,300
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:					
Debt proceeds				(11,935,636)	
Capital outlay				13,188,548	
Change in net position				\$ 2,238,590	

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

Schedule F-7

JUNE 30, 2020

	Public Transportation Fund	Sanitation Fund	Total
Assets:			
Current Assets:			
Cash and cash equivalents	\$ 1	\$ 2,520,183	\$ 2,520,184
Accounts receivable, net	517,810	975,911	1,493,721
Due from other governments	181	699	880
Due from other funds	-	-	-
Inventories	-	-	-
Prepaid items	350	12,000	12,350
Restricted cash, cash equivalents, and investments	-	-	-
Total current assets	<u>518,342</u>	<u>3,508,793</u>	<u>4,027,135</u>
Noncurrent Assets:			
Construction in progress	-	-	-
Other capital assets, net of depreciation	1,986,736	122,717	2,109,453
Total noncurrent assets	<u>1,986,736</u>	<u>122,717</u>	<u>2,109,453</u>
Total assets	<u>2,505,078</u>	<u>3,631,510</u>	<u>6,136,588</u>
Deferred outflows of resources - refunding charges			
	-	-	-
Deferred outflows of resources - pensions	173,133	490,126	663,259
Deferred outflows of resources - OPEB	33,570	101,969	135,539
Total deferred outflows of resources	<u>206,703</u>	<u>592,095</u>	<u>798,798</u>
Liabilities:			
Current Liabilities:			
Accounts payable and accrued liabilities	76,229	278,221	354,450
Due to other funds	263,917	484	264,401
Current portion of compensated absences	19,510	117,800	137,310
Current maturities of long-term debt	-	157,142	157,142
Total current liabilities	<u>359,656</u>	<u>553,647</u>	<u>913,303</u>
Noncurrent Liabilities:			
Net pension liability	295,874	857,771	1,153,645
Noncurrent portion of compensated absences	8,361	50,486	58,847
Net OPEB liability	797,574	2,422,631	3,220,205
Noncurrent portion of long-term debt	-	172,861	172,861
Total noncurrent liabilities	<u>1,101,809</u>	<u>3,503,749</u>	<u>4,605,558</u>
Total liabilities	<u>1,461,465</u>	<u>4,057,396</u>	<u>5,518,861</u>
Deferred inflow of resources - pensions			
	6,679	16,828	23,507
Deferred inflow of resources - OPEB	85,139	258,611	343,750
Total deferred outflows of resources	<u>91,818</u>	<u>275,439</u>	<u>367,257</u>
Net Position:			
Net investment in capital assets	1,986,736	122,717	2,109,453
Unrestricted	(828,238)	(231,947)	(1,060,185)
Total net position	<u>\$ 1,158,498</u>	<u>\$ (109,230)</u>	<u>\$ 1,049,268</u>

NONMAJOR ENTERPRISE FUNDS

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

YEAR ENDED JUNE 30, 2020

	Public Transportation Fund	Sanitation Fund	Total
Operating Revenues:			
Charges for services	\$ 175,657	\$ 7,732,559	\$ 7,908,216
Other operating revenues	102,449	128,655	231,104
Total operating revenue	<u>278,106</u>	<u>7,861,214</u>	<u>8,139,320</u>
Operating Expenses:			
Administrative and general	200,274	-	200,274
Operations and maintenance	2,484,731	7,295,031	9,779,762
Depreciation and amortization	377,809	29,623	407,432
Total operating expenses	<u>3,062,814</u>	<u>7,324,654</u>	<u>10,387,468</u>
Operating income (loss)	<u>(2,784,708)</u>	<u>536,560</u>	<u>(2,248,148)</u>
Nonoperating Revenues (Expenses):			
Investment earnings	-	-	-
Federal grants	1,563,374	-	1,563,374
Loss on disposal of capital assets	-	-	-
Bond issuance costs	-	-	-
Interest expense	-	(11,708)	(11,708)
Total nonoperating revenue (expenses)	<u>1,563,374</u>	<u>(11,708)</u>	<u>1,551,666</u>
Income (loss) before contributions and transfers	<u>(1,221,334)</u>	<u>524,852</u>	<u>(696,482)</u>
Transfers In (Out) and Capital Contributions:			
Capital contributions	-	-	-
State revolving loan	-	-	-
Transfers to other funds	-	(250,000)	(250,000)
Transfers from other funds	790,551	-	790,551
Total transfers in (out) and capital contributions:	<u>790,551</u>	<u>(250,000)</u>	<u>540,551</u>
Change in net position	(430,783)	274,852	(155,931)
Net position, beginning of year – July 1	<u>1,589,281</u>	<u>(384,082)</u>	<u>1,205,199</u>
Net position, end of year – June 30	<u>\$ 1,158,498</u>	<u>\$ (109,230)</u>	<u>\$ 1,049,268</u>

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

Schedule F-9

YEAR ENDED JUNE 30, 2020

	Public Transportation Fund	Sanitation Fund	Total
Cash flows from Operating Activities:			
Cash received from customers	\$ 31,784	\$ 7,732,664	\$ 7,764,448
Cash paid to vendors	(1,268,125)	(4,207,067)	(5,475,192)
Cash paid to employees	(1,450,081)	(2,942,161)	(4,392,242)
Net cash provided (used) by operating activities	<u>(2,686,422)</u>	<u>583,436</u>	<u>(2,102,986)</u>
Cash from Noncapital Financing Activities:			
Repayment of principal of long-term debt	-	(157,142)	(157,142)
Interest and other financing costs	-	(11,708)	(11,708)
Borrowing/Repayments from/to other funds	263,917	484	264,401
Federal and State grants	1,563,374	-	1,563,374
Transfers from other funds	790,551	-	790,551
Transfers to other funds	-	(250,000)	(250,000)
Net cash provided (used) by noncapital financing activities	<u>2,617,842</u>	<u>(418,366)</u>	<u>2,199,476</u>
Net increase (decrease) in cash and cash equivalents	(68,580)	165,070	96,490
Cash and Cash Equivalents:			
Beginning of year – July 1	<u>68,581</u>	<u>2,355,113</u>	<u>2,423,694</u>
End of year – June 30	<u>\$ 1</u>	<u>\$ 2,520,183</u>	<u>\$ 2,520,184</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ (2,784,708)	\$ 536,560	\$ (2,248,148)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	377,809	29,623	407,432
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	(517,810)	(128,550)	(646,360)
(Increase) decrease in due from other governments	271,488	-	271,488
(Increase) decrease in deferred outflow of resources - pensions	22,674	68,873	91,547
(Increase) decrease in deferred outflows of resources - OPEB	(5,728)	(19,709)	(25,437)
Increase (decrease) in net pension liability	42,840	130,126	172,966
Increase (decrease) in deferred inflows of resources - pensions	(5,948)	(18,068)	(24,016)
Increase (decrease) in deferred inflows of resources - OPEB	(25,635)	(68,677)	(94,312)
Increase (decrease) in accounts payable	(17,833)	28,131	10,298
Increase (decrease) in compensated absences payable	(4,699)	(7,111)	(11,810)
Increase (decrease) in OPEB liability	<u>(38,872)</u>	<u>32,238</u>	<u>(6,634)</u>
Net cash provided (used) by operating activities	<u>\$ (2,686,422)</u>	<u>\$ 583,436</u>	<u>\$ (2,102,986)</u>

PUBLIC TRANSPORTATION – NONMAJOR ENTERPRISE FUNDS

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

YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2019

	2020		Variance Positive/ Negative	2019
	Budget	Actual		Actual
Revenues:				
Charges for services	\$ 389,938	\$ 175,657	\$ (214,281)	\$ 244,155
Public transportation planning, operating, and capital grants	2,127,543	1,563,374	(564,169)	3,149,231
Other operating revenues	48,200	102,449	54,249	48,985
Total operating revenues	<u>2,565,681</u>	<u>1,841,480</u>	<u>(724,201)</u>	<u>3,442,371</u>
Expenditures:				
Administrative and general	584,470	200,274	384,196	220,588
Operations and maintenance	1,011,103	700,385	310,718	742,150
Salaries and benefits	1,220,900	1,434,713	(213,813)	1,362,800
Capital outlay	546,699	365,001	181,698	2,284,950
Total operating expenditures	<u>3,363,172</u>	<u>2,700,373</u>	<u>662,799</u>	<u>4,610,488</u>
Revenues over (under) expenditures	<u>(797,491)</u>	<u>(858,893)</u>	<u>(61,402)</u>	<u>(1,168,117)</u>
Other Financing Sources (Uses):				
Appropriated fund balance	6,940	-	(6,940)	-
Transfers from other funds	790,551	790,551	-	771,894
Total other financing sources (uses)	<u>797,491</u>	<u>790,551</u>	<u>(6,940)</u>	<u>771,894</u>
Revenues and other financing sources (uses) over (under) expenditures and other financing uses	<u>\$ -</u>	<u>(68,342)</u>	<u>\$ (68,342)</u>	<u>(396,223)</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:				
Depreciation		(377,809)		(253,855)
Loss on disposal of capital assets		-		-
Capital outlay		-		1,859,320
Increase in deferred outflows of resources - pensions		(22,674)		67,432
Increase in deferred outflows of resources - OPEB		5,728		11,750
Decrease (increase) in net pension liability		(42,840)		(77,505)
Change in net OPEB liability		38,872		80,948
(Increase) decrease in deferred inflows of resources - pensions		5,948		3,915
(Increase) decrease in deferred inflows of resources - OPEB		25,635		(110,774)
Change in accrued compensated absences		<u>4,699</u>		<u>10,395</u>
Change in net position		<u>\$ (430,783)</u>		<u>\$ 1,195,403</u>

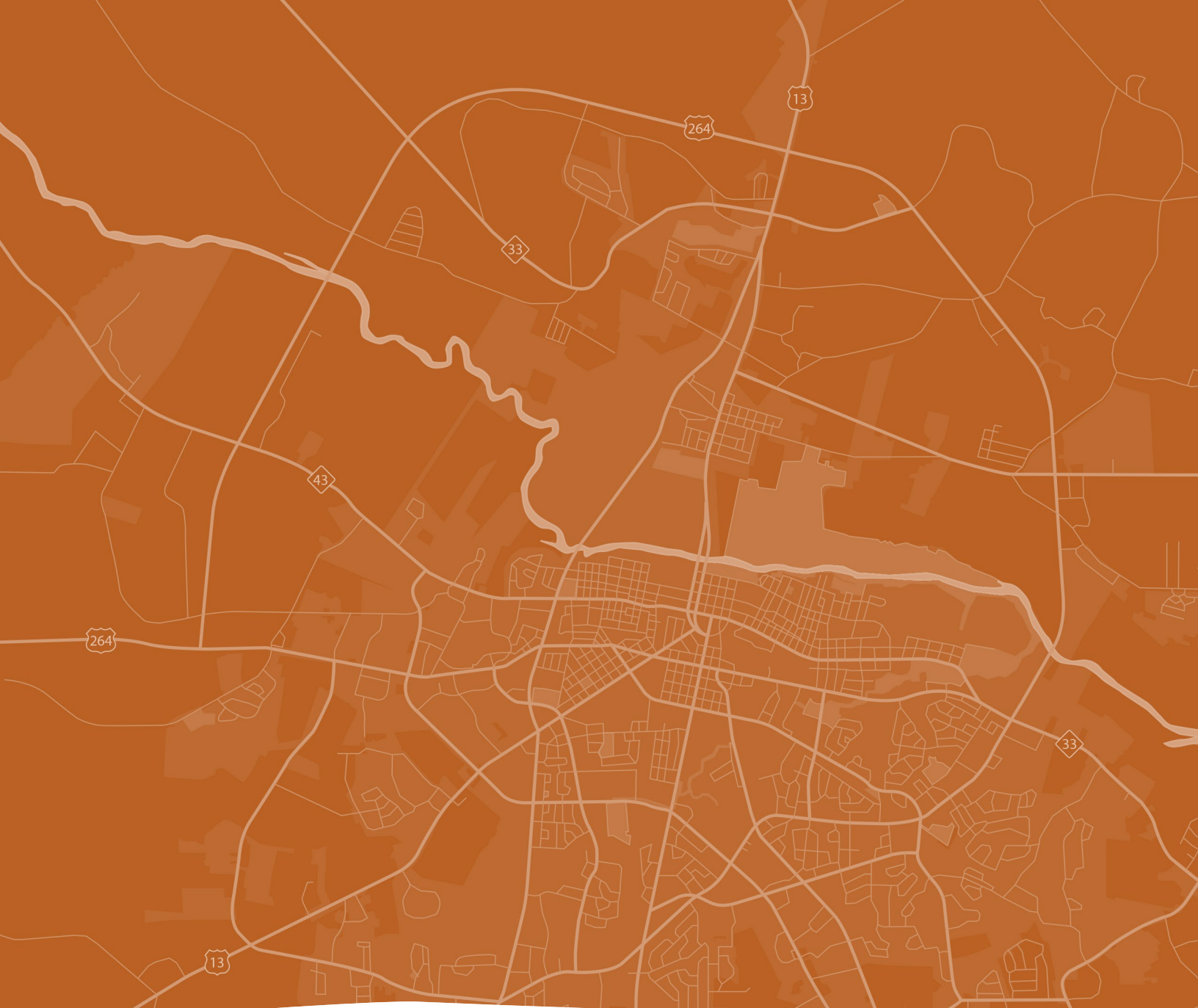
SANITATION FUND – NONMAJOR ENTERPRISE FUNDS

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

YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2019

	2020		Variance Positive/ Negative	2019
	Budget	Actual		Actual
Operating Revenues:				
Charges for services	\$ 7,700,360	\$ 7,732,559	\$ 32,199	\$ 7,682,242
Grant revenue	29,955	-	(29,955)	-
Other operating revenues	195,500	128,655	(66,845)	108,032
Total operating revenues	<u>7,925,815</u>	<u>7,861,214</u>	<u>(64,601)</u>	<u>7,790,274</u>
Operating Expenditures:				
Operations and maintenance	3,572,544	\$ 3,202,864	369,680	3,181,076
Salaries and benefits	3,024,516	3,059,833	(35,317)	3,173,979
Capital outlay	150,000	-	150,000	28,236
Principal retirement	-	157,142	(157,142)	157,142
Interest paid	-	11,708	(11,708)	15,951
Indirect cost reimbursement	914,662	914,662	-	914,662
Total operating expenditures	<u>7,661,722</u>	<u>7,346,209</u>	<u>315,513</u>	<u>7,471,046</u>
Revenues over expenditures	<u>264,093</u>	<u>515,005</u>	<u>250,912</u>	<u>319,228</u>
Other Financing Sources (Uses):				
Appropriated fund balance	105,666	-	(105,666)	-
Long-term debt issued	-	-	-	-
Transfers to other funds	(369,759)	(250,000)	119,759	(250,000)
Total other financing sources (uses)	<u>(264,093)</u>	<u>(250,000)</u>	<u>14,093</u>	<u>(250,000)</u>
Revenues and other financing sources (uses) over expenditures and other financing uses	<u>\$ -</u>	<u>265,005</u>	<u>\$ 265,005</u>	<u>69,228</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:				
Depreciation		(29,623)		(28,010)
Capital outlay		-		28,236
Decrease/(increase) in deferred outflows of resources - pensions		(68,872)		199,449
(Decrease)/increase in deferred outflows of resources - OPEB		19,708		36,134
Decrease in net pension liability		(130,126)		(240,259)
Increase in net OPEB liability		(32,238)		239,165
Decrease/(increase) in deferred inflows of resources - pensions		18,068		11,565
Decrease/(increase) in deferred inflows of resources - OPEB		68,677		(327,288)
Payment of debt principal		157,142		157,142
Change in accrued compensated absences		7,111		9,347
Change in net position		<u>\$ 274,852</u>		<u>\$ 154,709</u>



Internal Service Fund Statements

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2020

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

Schedule G-1

JUNE 30, 2020

	<u>Vehicle Replacement Fund</u>	<u>Health Insurance Fund</u>	<u>Fleet Maintenance Fund</u>	<u>Facilities Improvement Fund</u>	<u>Total</u>
Assets:					
Current Assets:					
Cash, cash equivalents, and investments	\$ 1,980,976	\$ -	\$ 1	\$ 1,355,898	\$ 3,336,875
Accounts receivable	-	295,164	581	-	295,745
Due from other funds	-	42,743	-	-	42,743
Prepaid items	-	-	214,132	-	214,132
Due from other governments	-	-	1,000	-	1,000
Inventories	-	-	-	-	-
Restricted cash, cash equivalents, and investments	-	-	-	-	-
	<u>-</u>	<u>5,466,091</u>	<u>-</u>	<u>-</u>	<u>5,466,091</u>
Total current assets	<u>1,980,976</u>	<u>5,803,998</u>	<u>215,714</u>	<u>1,355,898</u>	<u>9,356,586</u>
Noncurrent Assets:					
Construction in process	2,476,390	-	-	-	2,476,390
Other capital assets, net	<u>13,973,283</u>	<u>69,697</u>	<u>11,523</u>	<u>706,908</u>	<u>14,761,411</u>
Total noncurrent assets	<u>16,449,673</u>	<u>69,697</u>	<u>11,523</u>	<u>706,908</u>	<u>17,237,801</u>
Total assets	<u>18,430,649</u>	<u>5,873,695</u>	<u>227,237</u>	<u>2,062,806</u>	<u>26,594,387</u>
Deferred outflows of resources - pensions	-	-	267,177	-	267,177
Deferred outflows of resources - OPEB	-	-	<u>56,439</u>	-	<u>56,439</u>
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>323,616</u>	<u>-</u>	<u>323,616</u>
Liabilities:					
Current Liabilities:					
Accounts payable	41,791	1,644,488	115,175	41,987	1,843,441
Due to other funds	<u>947</u>	<u>-</u>	<u>1,255,654</u>	<u>-</u>	<u>1,256,601</u>
Total current liabilities	<u>42,738</u>	<u>1,644,488</u>	<u>1,370,829</u>	<u>41,987</u>	<u>3,100,042</u>
Noncurrent Liabilities:					
Net OPEB Liability	-	-	1,340,921	-	1,340,921
Net Pension Liability	<u>-</u>	<u>-</u>	<u>466,781</u>	<u>-</u>	<u>466,781</u>
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>1,807,702</u>	<u>-</u>	<u>1,807,702</u>
Total liabilities	<u>42,738</u>	<u>1,644,488</u>	<u>3,178,531</u>	<u>41,987</u>	<u>4,907,744</u>
Deferred inflows of resources - pensions	-	-	8,877	-	8,877
Deferred inflows of resources - OPEB	<u>-</u>	<u>-</u>	<u>143,141</u>	<u>-</u>	<u>143,141</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>152,018</u>	<u>-</u>	<u>152,018</u>
Net Position:					
Net investment in capital assets	16,449,673	69,697	11,523	706,908	17,237,801
Restricted for Insurance	-	5,466,091	-	-	5,466,091
Unrestricted	<u>1,938,238</u>	<u>(1,306,581)</u>	<u>(2,791,219)</u>	<u>1,313,911</u>	<u>(845,651)</u>
Total net position	<u>\$ 18,387,911</u>	<u>\$ 4,229,207</u>	<u>\$ (2,779,696)</u>	<u>\$ 2,020,819</u>	<u>\$ 21,858,241</u>

INTERNAL SERVICE FUNDS

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

YEAR ENDED JUNE 30, 2020

	Vehicle Replacement Fund	Health Insurance Fund	Fleet Maintenance Fund	Facilities Improvement Fund	Total
Operating Revenues:					
Charges for services	\$ 3,465,112	\$ 10,547,583	\$ 4,433,072	\$ -	\$ 18,445,767
Other operating revenues	89,486	308	-	-	89,794
Total operating revenues	<u>3,554,598</u>	<u>10,547,891</u>	<u>4,433,072</u>	<u>-</u>	<u>18,535,561</u>
Operating Expenses:					
Administration	-	1,291,866	-	-	1,291,866
Operations and maintenance	-	-	2,935,255	1,874,983	4,810,238
Salaries and benefits	-	-	1,688,441	-	1,688,441
Depreciation	3,142,154	4,120	-	71,898	3,218,172
Claims and payments to third party administrators	-	11,440,262	-	-	11,440,262
Total operating expenses	<u>3,142,154</u>	<u>12,736,248</u>	<u>4,623,696</u>	<u>1,946,881</u>	<u>22,448,979</u>
Operating income (loss)	<u>412,444</u>	<u>(2,188,357)</u>	<u>(190,624)</u>	<u>(1,946,881)</u>	<u>(3,913,418)</u>
Operating income (loss) before contributions and transfers	<u>412,444</u>	<u>(2,188,357)</u>	<u>(190,624)</u>	<u>(1,946,881)</u>	<u>(3,913,418)</u>
Transfers In and Capital Contributions:					
Transfers from other funds	855,587	-	-	1,320,487	2,176,074
Total transfers in and capital contributions	<u>855,587</u>	<u>-</u>	<u>-</u>	<u>1,320,487</u>	<u>2,176,074</u>
Change in net position	1,268,031	(2,188,357)	(190,624)	(626,394)	(1,737,344)
Net Position:					
Net position, beginning of year – July 1	<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>
Net position, end of year – June 30	<u>\$ 18,387,911</u>	<u>\$ 4,229,207</u>	<u>\$ (2,779,696)</u>	<u>\$ 2,020,819</u>	<u>\$ 21,858,241</u>

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

Schedule G-3

YEAR ENDED JUNE 30, 2020

	<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	\$ 3,303,246	\$ 10,285,767	\$ 4,436,136	\$ -	\$ 18,025,149
Cash paid to vendors	-	(12,947,577)	(2,998,921)	(1,994,367)	(17,940,865)
Cash paid to employees	-	-	(1,607,747)	-	(1,607,747)
Net cash provided (used) by operating activities	<u>3,303,246</u>	<u>(2,661,810)</u>	<u>(170,532)</u>	<u>(1,994,367)</u>	<u>(1,523,463)</u>
Cash Flows from Noncapital Financing Activities:					
Transfers from other funds	855,587	-	-	1,320,487	2,176,074
Repayments to (from) other funds	-	11,000	182,056	-	193,056
Net cash provided (used) by noncapital financing activities	<u>855,587</u>	<u>11,000</u>	<u>182,056</u>	<u>1,320,487</u>	<u>2,369,130</u>
Cash Flows from Capital and Related Financing Activities:					
Acquisition and construction of capital assets	(3,512,323)	-	(11,523)	-	(3,523,846)
Net cash used by capital and related financing activities	<u>(3,512,323)</u>	<u>-</u>	<u>(11,523)</u>	<u>-</u>	<u>(3,523,846)</u>
Net increase in cash and cash equivalents	646,510	(2,650,810)	1	(673,880)	(2,678,179)
Cash and Cash Equivalents					
Beginning of year – July 1	<u>1,334,466</u>	<u>8,116,901</u>	<u>-</u>	<u>2,029,778</u>	<u>11,481,145</u>
End of year – June 30	<u>\$ 1,980,976</u>	<u>\$ 5,466,091</u>	<u>\$ 1</u>	<u>\$ 1,355,898</u>	<u>\$ 8,802,966</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating income (loss)	\$ 412,444	\$ (2,188,357)	\$ (190,624)	\$ (1,946,881)	\$ (3,913,418)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	3,142,154	4,120	-	71,898	3,218,172
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	-	(262,124)	3,064	-	(259,060)
Change in deferred outflow of resources - pensions	-	-	38,121	-	38,121
Change in deferred outflow of resources - OPEB	-	-	(11,038)	-	(11,038)
Increase in prepaids	-	-	-	-	-
Change in net pension liability	-	-	72,025	-	72,025
Change in net OPEB liability	-	-	29,083	-	29,083
Change in deferred inflows of resources - pensions	-	-	(10,000)	-	(10,000)
Change in deferred inflows of resources - OPEB	-	-	(37,497)	-	(37,497)
Change in accounts payable	<u>(251,352)</u>	<u>(215,449)</u>	<u>(63,666)</u>	<u>(119,384)</u>	<u>(649,851)</u>
Net cash provided (used) by operating activities	<u>\$ 3,303,246</u>	<u>\$ (2,661,810)</u>	<u>\$ (170,532)</u>	<u>\$ (1,994,367)</u>	<u>\$ (1,523,463)</u>

VEHICLE REPLACEMENT – INTERNAL SERVICE FUNDS

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

YEAR ENDED JUNE 30, 2020

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Positive/ Negative</u>
Operating Revenues:			
Charges for services	\$ 3,566,132	\$ 3,465,112	\$ (101,020)
Other operating revenues	278,460	89,486	(188,974)
Total operating revenues	<u>3,844,592</u>	<u>3,554,598</u>	<u>(289,994)</u>
Operating Expenditures:			
Capital outlay	<u>4,759,009</u>	<u>3,513,120</u>	1,245,889
Total operating expenditures			
Revenues over (under) expenditures	<u>(914,417)</u>	<u>41,478</u>	<u>955,895</u>
Other Financing Sources (Uses):			
Fund balance appropriated	58,830	-	(58,830)
Transfers from other funds	<u>855,587</u>	<u>855,587</u>	-
Total other financing sources (uses)	<u>914,417</u>	<u>855,587</u>	<u>(58,830)</u>
Revenues and other financing sources (uses) under expenditures and other financing uses	<u>\$ -</u>	897,065	<u>\$ 897,065</u>
Reconciliation from Financial Plan Basis (Modified Accrual) to Full Accrual:			
Depreciation		(3,142,154)	
Capital outlay		<u>3,513,120</u>	
Change in net position		<u>\$ 1,268,031</u>	

CITY OF GREENVILLE, NORTH CAROLINA

Schedule G-5

HEALTH INSURANCE – INTERNAL SERVICE FUNDS

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

YEAR ENDED JUNE 30, 2020

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Positive/ Negative</u>
Operating Revenues:			
Charges for services	\$ 13,464,216	\$ 10,547,583	\$ (2,916,633)
Other operating revenues	-	308	308
Total operating revenues	<u>13,464,216</u>	<u>10,547,891</u>	<u>(2,916,325)</u>
Operating Expenditures:			
Administration	\$ 1,137,393	1,291,866	(154,473)
Payment to third party administrator	12,865,991	11,440,262	1,425,729
Total operating expenditures	<u>14,003,384</u>	<u>12,732,128</u>	<u>1,271,256</u>
Revenues over (under) expenditures	<u>(539,168)</u>	<u>(2,184,237)</u>	<u>(1,645,069)</u>
Other Financing Sources (Uses):			
Appropriated fund balance	539,168	-	(539,168)
Total other financing sources (uses)	<u>539,168</u>	<u>-</u>	<u>(539,168)</u>
Revenues and other financing sources (uses) under expenditures and other financing uses	<u>\$ -</u>	<u>(2,184,237)</u>	<u>\$ (2,184,237)</u>
Reconciliation from Financial Plan Basis (Modified Accrual) to Full Accrual:			
Depreciation		<u>(4,120)</u>	
Change in net position		<u>\$ (2,188,357)</u>	

CITY OF GREENVILLE, NORTH CAROLINA

FLEET MAINTENANCE – INTERNAL SERVICE FUNDS

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

YEAR ENDED JUNE 30, 2020

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Positive/ Negative</u>
Operating Revenues:			
Charges for services	\$ 4,636,394	\$ 4,433,072	\$ (203,322)
Total operating revenues	<u>4,636,394</u>	<u>4,433,072</u>	<u>(203,322)</u>
Operating Expenditures:			
Salaries and benefits	1,543,856	1,607,747	(63,891)
Operating and maintenance	3,131,946	2,935,255	196,691
Capital outlay	35,000	11,523	23,477
Total operating expenditures	<u>4,710,802</u>	<u>4,554,525</u>	<u>156,277</u>
Revenues over (under) expenditures	<u>(74,408)</u>	<u>(121,453)</u>	<u>(47,045)</u>
Other Financing Sources (Uses):			
Appropriated fund balance	74,408	-	(74,408)
Transfer to other funds	-	-	-
Total other financing sources (uses)	<u>74,408</u>	<u>-</u>	<u>(74,408)</u>
Revenues and other financing sources (uses) over expenditures and other financing uses	<u>\$ -</u>	<u>(121,453)</u>	<u>\$ (121,453)</u>
Reconciliation from Financial Plan Basis (Modified Accrual) to Full Accrual:			
Capital Outlay		11,523	
Decrease in deferred outflows of resources - pensions		(38,121)	
Increase in deferred outflows of resources - OPEB		11,038	
Increase in net pension liability		(72,025)	
Increase in net OPEB liability		(29,083)	
Decrease in deferred inflows of resources - pensions		10,000	
Decrease in deferred inflows of resources - OPEB		<u>37,497</u>	
Change in net position		<u>\$ (190,624)</u>	

CITY OF GREENVILLE, NORTH CAROLINA

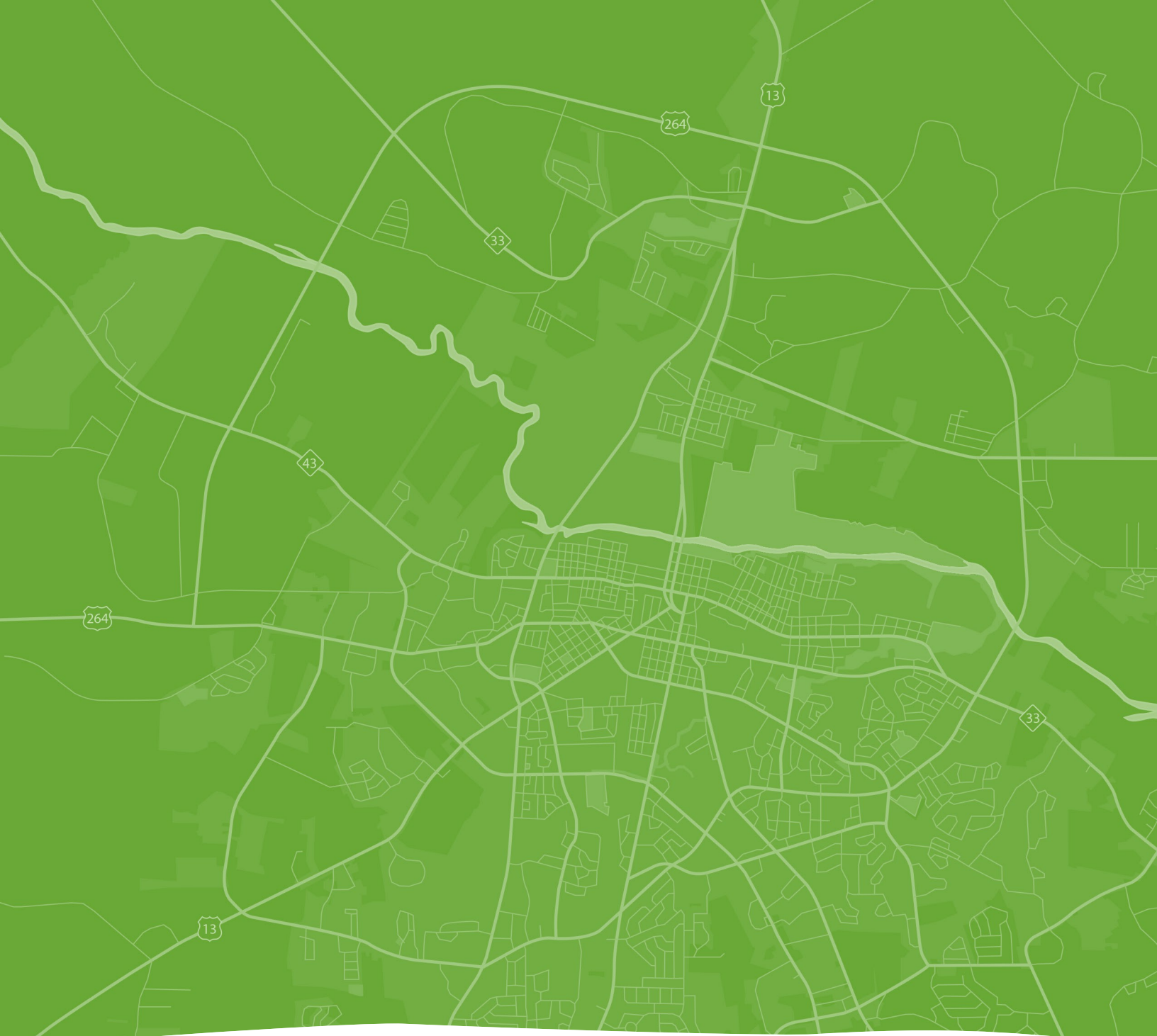
Schedule G-7

FACILITIES IMPROVEMENT – INTERNAL SERVICE FUNDS

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

YEAR ENDED JUNE 30, 2020

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Positive/ Negative</u>
Operating Revenues:			
Charges for services	\$ -	\$ -	\$ -
Other operating revenues	-	-	-
Total operating revenues	<u>-</u>	<u>-</u>	<u>-</u>
Operating Expenditures:			
Capital outlay	<u>4,057,862</u>	<u>1,874,983</u>	<u>2,182,879</u>
Total operating expenditures	<u>4,057,862</u>	<u>1,874,983</u>	<u>2,182,879</u>
Revenues over (under) expenditures	<u>(4,057,862)</u>	<u>(1,874,983)</u>	<u>2,182,879</u>
Other Financing Sources (Uses):			
Appropriated fund balance	2,487,375	-	(2,487,375)
Transfers to other funds	-	-	-
Transfers from other funds	<u>1,570,487</u>	<u>1,320,487</u>	<u>(250,000)</u>
Total other financing sources (uses)	<u>4,057,862</u>	<u>1,320,487</u>	<u>(2,737,375)</u>
Revenues and other financing sources (uses) under expenditures and other financing uses	<u>\$ -</u>	<u>(554,496)</u>	<u>\$ (554,496)</u>
Reconciliation from Financial Plan Basis (Modified Accrual) to Full Accrual:			
Depreciation		<u>(71,898)</u>	
Change in net position		<u>\$ (626,394)</u>	



Agency Fund Statements

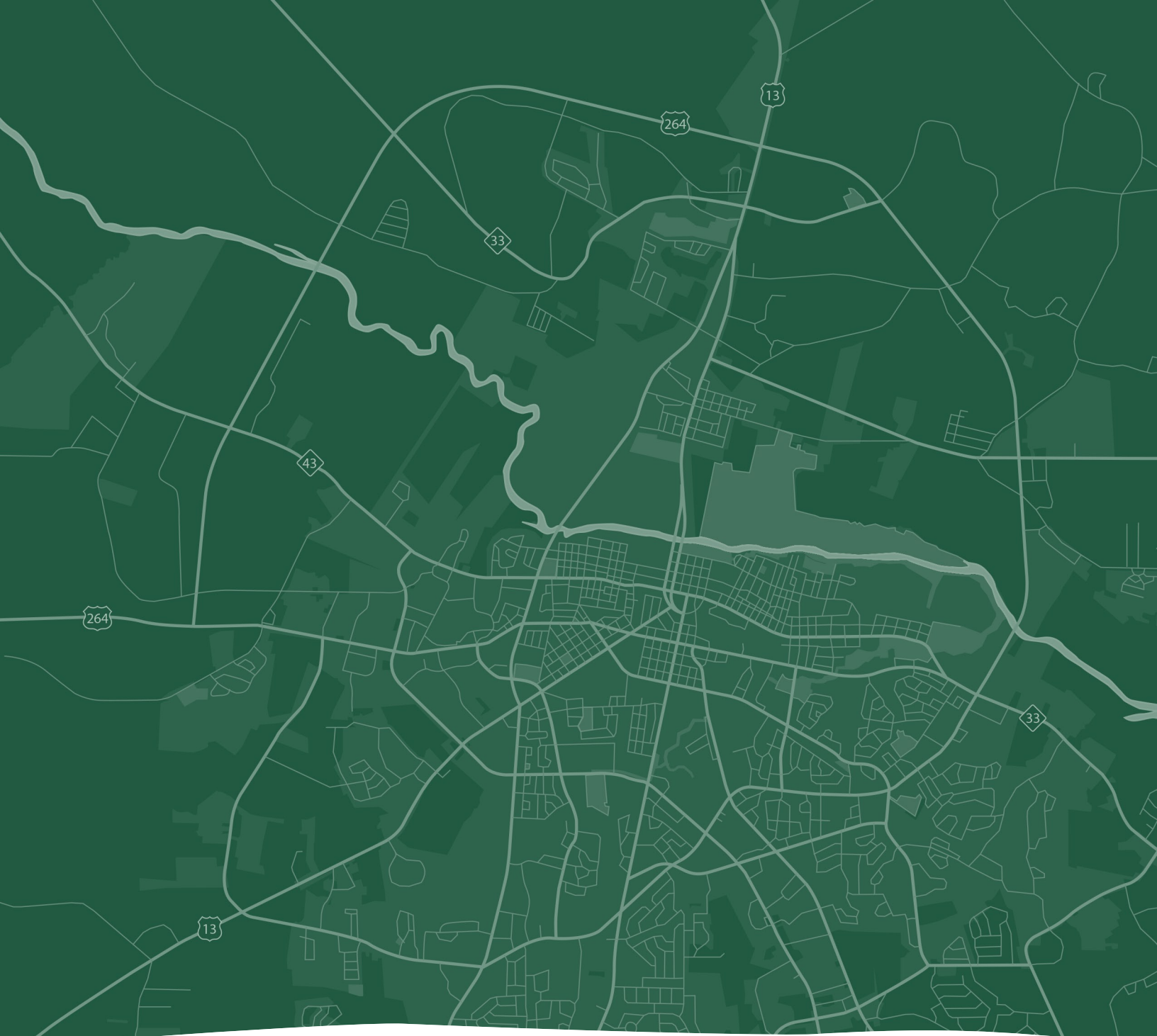
Comprehensive Annual Financial Report
Fiscal year ending June 30, 2020

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

Schedule H-1

YEAR ENDED JUNE 30, 2020

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
Assets:				
Cash and cash equivalents	<u>\$ 157,336</u>	<u>\$ 1,402,993</u>	<u>\$ (1,558,420)</u>	<u>\$ 1,909</u>
Liabilities:				
Accounts payable	<u>\$ 157,336</u>	<u>\$ 1,402,993</u>	<u>\$ (1,558,420)</u>	<u>\$ 1,909</u>



Statistical Section

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2020

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities										
Net investment in capital assets	\$ 132,450	\$ 136,640	\$ 140,382	\$ 144,769	\$ 154,684	\$ 157,082	\$ 160,375	\$ 159,151	\$ 171,216	\$ 181,845
Restricted	-	-	-	-	-	-	-	-	-	-
Stabilization of State Statute	7,331	8,998	7,590	8,228	13,594	8,322	6,516	7,714	14,885	8,259
Restricted for Streets	-	-	2,629	2,296	2,236	1,717	1,179	1,001	702	376
General Government	-	-	-	84	76	105	109	684	108	103
Economic Development	-	-	-	-	56	4,177	2,611	390	1,124	6,660
Transportation	2,540	1,838	-	-	-	-	-	-	-	-
Public Safety	-	-	560	706	821	858	872	374	149	560
Cultural and Recreational	-	-	101	102	102	117	66	-	-	63
Donations	-	-	-	-	-	-	-	-	-	269
Debt Service	-	-	-	-	-	-	-	771	1,303	1,725
Insurance	-	-	-	-	-	-	-	6,907	3,234	5,466
Other	819	6,175	-	-	-	-	669	-	-	-
Unrestricted	<u>24,196</u>	<u>18,142</u>	<u>36,640</u>	<u>36,849</u>	<u>23,638</u>	<u>29,243</u>	<u>23,715</u>	<u>(3,244)</u>	<u>(5,769)</u>	<u>(12,349)</u>
Total Governmental activities net position	\$ 167,336	\$ 171,793	\$ 187,902	\$ 193,034	\$ 195,207	\$ 201,621	\$ 196,112	\$ 173,748	\$ 186,952	\$ 192,977
Business-type activities										
Net investment in capital assets	\$ 239,156	\$ 242,482	\$ 251,120	\$ 258,006	\$ 277,248	\$ 272,073	\$ 274,323	\$ 287,024	\$ 293,264	\$ 303,498
Unrestricted	<u>79,687</u>	<u>81,410</u>	<u>81,243</u>	<u>80,345</u>	<u>70,155</u>	<u>105,097</u>	<u>118,131</u>	<u>101,309</u>	<u>118,145</u>	<u>126,398</u>
Total business-type activities net assets	\$ 318,843	\$ 323,892	\$ 332,363	\$ 338,351	\$ 347,403	\$ 377,170	\$ 392,454	\$ 388,333	\$ 411,409	\$ 429,896
Primary government										
Net investment in capital assets	\$ 371,606	\$ 379,122	\$ 391,502	\$ 402,775	\$ 431,932	\$ 429,155	\$ 434,698	\$ 446,175	\$ 464,480	\$ 485,343
Restricted	-	-	-	-	-	-	-	-	-	-
Stabilization of State Statute	7,331	8,998	7,590	8,228	13,594	8,322	6,516	7,714	14,885	8,259
Restricted for Streets	-	-	2,629	2,296	2,236	1,717	1,179	1,001	702	376
General Government	-	-	-	84	76	105	109	684	108	103
Economic Development	-	-	-	-	56	4,177	2,611	390	1,124	6,660
Transportation	2,540	1,838	-	-	-	-	-	-	-	-
Public Safety	-	-	560	706	821	858	872	374	149	560
Cultural and Recreational	-	-	101	102	102	117	66	-	-	63
Donations	-	-	-	-	-	-	-	-	-	269
Debt	-	-	-	-	-	-	-	771	1,303	1,725
Insurance	-	-	-	-	-	-	-	6,907	3,234	5,466
Other	819	6,175	-	-	-	-	669	-	-	-
Unrestricted	<u>103,883</u>	<u>99,552</u>	<u>117,883</u>	<u>117,194</u>	<u>93,793</u>	<u>134,340</u>	<u>141,846</u>	<u>98,065</u>	<u>112,376</u>	<u>114,049</u>
Total primary government net position	\$ 486,179	\$ 495,685	\$ 520,265	\$ 531,385	\$ 542,610	\$ 578,791	\$ 588,566	\$ 562,081	\$ 598,361	\$ 622,873

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental activities:										
General government	\$ 10,172	\$ 10,480	\$ 21,603	\$ 19,960	\$ 25,011	\$ 28,647	\$ 34,019	\$ 28,170	\$ 29,324	\$ 34,035
Public safety	36,159	39,385	29,712	28,939	26,262	26,907	27,583	28,561	27,551	30,707
Transportation	9,344	10,326	7,593	7,462	5,939	7,172	6,514	8,013	10,309	7,162
Environmental protection	-	-	-	-	-	-	3,534	1,454	1,229	-
Economic and physical development	4,625	6,065	14,501	13,497	10,781	11,081	12,655	11,427	10,374	9,058
Culture and recreation	11,398	11,503	3,688	3,204	5,765	4,589	4,802	9,296	9,393	10,194
Interest on long-term debt	1,602	1,657	826	894	1,034	949	1,307	1,158	1,113	1,163
Total governmental activities	73,300	79,416	77,923	73,956	74,792	79,345	90,414	88,079	89,293	92,319
Business-type activities:										
Electric	195,510	191,269	192,058	195,184	189,010	157,839	167,127	164,003	168,797	167,599
Water	15,044	16,403	15,857	16,237	16,201	16,281	17,138	17,586	19,298	20,724
Sewer	15,673	16,208	16,837	17,333	17,667	18,261	19,761	20,649	21,503	22,841
Gas	31,972	24,947	26,189	32,519	31,718	25,519	27,803	34,791	32,532	29,176
Public Transportation	1,837	2,178	2,499	2,459	3,406	2,130	2,377	2,693	3,019	3,063
Bradford Creek	914	930	-	-	-	-	-	-	-	-
Stormwater Utility	2,899	3,119	2,904	2,945	5,837	2,526	2,465	3,210	4,709	3,193
Sanitation	5,961	6,643	6,792	7,358	6,941	6,115	6,697	6,808	7,386	7,336
Total business-type activities	269,810	261,697	263,136	274,035	270,780	228,671	243,368	249,740	257,244	253,932
Total expenses	\$ 343,110	\$ 341,113	\$ 341,059	\$ 347,991	\$ 345,572	\$ 308,016	\$ 333,782	\$ 337,819	\$ 346,537	\$ 346,251
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 886	\$ 3,140	\$ 4,052	\$ 4,829	\$ 3,360	\$ 3,959	\$ 7,201	\$ 4,223	\$ 5,474	\$ 1,610
Public safety	4,564	5,545	4,360	4,149	5,542	4,686	4,231	6,349	5,045	5,577
Transportation	309	247	190	180	293	195	203	36	136	127
Environmental protection	-	-	-	-	-	-	-	-	-	-
Economic and physical development	738	-	19	19	19	19	19	19	-	-
Culture and recreation	1,247	1,354	1,120	1,088	1,093	1,939	1,953	1,248	1,070	815
Operating grants and contributions	9,502	9,820	4,523	3,540	3,211	2,505	3,675	3,351	3,017	4,904
Capital grants and contributions	10,258	4,091	3,975	3,214	2,788	6,916	5,912	10,969	8,775	10,348
Total governmental activities program revenues	27,504	24,197	18,239	17,019	16,306	20,219	23,194	26,195	23,517	23,381

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

Table 2

LAST TEN FISCAL YEARS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Business-type activities:										
Charges for services:										
Electric	\$ 203,686	\$ 196,531	\$ 197,680	\$ 202,308	\$ 199,711	\$ 181,932	\$ 178,171	\$ 178,284	\$ 179,230	\$ 171,665
Water	15,289	16,462	16,321	16,526	17,465	18,587	20,009	20,647	22,203	23,934
Sewer	17,041	17,971	18,257	18,218	19,566	21,577	23,268	23,778	25,187	24,484
Gas	37,738	30,440	31,820	35,481	36,688	27,684	28,787	36,535	36,202	31,842
Public Transportation	274	314	359	330	402	284	243	251	293	278
Bradford Creek	750	860	-	-	-	-	-	-	-	-
Stormwater Utility	3,066	2,962	3,117	3,670	4,354	4,905	5,537	6,064	6,153	6,103
Sanitation	5,431	5,408	6,630	6,814	7,204	7,460	7,256	7,554	7,790	7,861
Operating grants and contributions	830	1,009	-	901	804	-	1,463	1,103	3,149	1,563
Capital grants and contributions	1,062	5	2,103	1,162	3,105	2,121	278	1,783	2,751	6,786
Total business-type activities program revenues	285,167	271,962	276,287	285,410	289,299	264,550	265,012	275,999	282,958	274,516
Total program revenues	\$ 312,671	\$ 296,159	\$ 294,526	\$ 302,429	\$ 305,605	\$ 284,769	\$ 288,206	\$ 302,194	\$ 306,475	\$ 297,897
Net (Expense) Revenue										
Governmental activities	\$ (45,796)	\$ (55,219)	\$ (59,684)	\$ (56,937)	\$ (58,486)	\$ (59,126)	\$ (67,220)	\$ (61,883)	\$ (65,776)	\$ (68,938)
Business-type activities	15,357	10,265	13,151	11,375	18,519	35,879	21,644	26,259	25,714	20,584
Total primary governmental net expense	\$ (30,439)	\$ (44,954)	\$ (46,533)	\$ (45,562)	\$ (39,967)	\$ (23,247)	\$ (45,576)	\$ (35,624)	\$ (40,062)	\$ (48,354)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 30,891	\$ 31,487	\$ 30,446	\$ 31,915	\$ 32,502	\$ 33,000	\$ 33,187	\$ 34,200	\$ 34,884	\$ 35,976
Other Taxes, grants and contributions	21,722	22,161	22,397	22,522	25,292	26,655	27,873	28,600	30,473	29,733
Investment earnings	919	969	69	2,038	2,064	700	954	698	7,427	3,140
Miscellaneous	-	(496)	-	-	-	-	-	-	-	-
Transfers	6,662	5,554	4,908	5,597	5,804	6,704	6,885	6,302	6,196	6,114
Total General revenues	60,194	59,675	57,820	62,072	65,662	67,059	68,899	69,800	78,980	74,963
Business-type activities:										
Investment earnings	641	337	227	209	284	330	528	1,159	3,559	4,016
Transfers	(6,662)	(5,554)	(4,908)	(5,597)	(5,804)	(6,704)	(6,888)	(6,302)	(6,196)	(6,114)
Total business-type activities	(6,021)	(5,217)	(4,681)	(5,388)	(5,520)	(6,374)	(6,360)	(5,143)	(2,637)	(2,098)
Total primary government	\$ 54,173	\$ 54,458	\$ 53,139	\$ 56,684	\$ 60,142	\$ 60,685	\$ 62,539	\$ 64,657	\$ 76,343	\$ 72,865
Change in Net Position										
Governmental activities	\$ 14,398	\$ 4,456	\$ (1,864)	\$ 5,135	\$ 7,176	\$ 7,933	\$ 1,679	\$ 7,917	\$ 13,204	\$ 6,025
Business-type activities	9,336	5,048	8,470	5,987	12,999	29,505	15,284	21,116	23,077	18,486
Total primary government	\$ 23,734	\$ 9,504	\$ 6,606	\$ 11,122	\$ 20,175	\$ 37,438	\$ 16,963	\$ 29,033	\$ 36,281	\$ 24,511

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	161	151	75	215	116	54	69	102	68	59
Restricted	10,690	11,582	10,267	10,848	16,169	10,171	7,688	7,318	9,313	7,077
Committed	2,831	3,059	2,277	2,277	2,277	2,277	2,328	2,051	2,196	2,253
Assigned	2,091	2,490	7,047	1,964	1,592	1,796	1,178	1,380	650	300
Unassigned	13,381	14,683	11,401	16,108	12,426	18,144	20,158	12,048	11,726	16,076
Total General Fund	\$ 29,154	\$ 31,965	\$ 31,067	\$ 31,412	\$ 32,580	\$ 32,442	\$ 31,421	\$ 22,899	\$ 23,953	\$ 25,765
All other governmental funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Subsequent Year's	-	-	-	-	-	-	-	-	-	-
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Debt Service Funds	-	-	-	-	-	-	-	-	-	-
Capital Project Funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	53	44	49	53	919	381	791	800	377	84
Restricted	8,384	5,429	2,160	5,767	8,257	5,235	4,334	8,033	12,456	10,940
Committed	7,477	5,996	7,747	6,846	6,045	5,172	11,019	12,105	8,206	8,068
Assigned	-	-	544	522	570	619	520	825	808	952
Unassigned	(1,970)	(1,327)	(1,181)	(489)	(5,097)	(531)	(334)	(685)	(5,327)	(1,552)
Total all other governmental funds	\$ 13,944	\$ 10,142	\$ 9,319	\$ 12,699	\$ 10,694	\$ 10,876	\$ 16,330	\$ 21,078	\$ 16,520	\$ 18,492
Total governmental funds	\$ 43,098	\$ 42,107	\$ 40,386	\$ 44,111	\$ 43,274	\$ 43,318	\$ 47,751	\$ 43,977	\$ 40,473	\$ 44,257

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Ad Valorem Taxes	\$ 30,749	\$ 31,567	\$ 30,276	\$ 32,256	\$ 32,956	\$ 32,776	\$ 33,385	\$ 34,374	\$ 34,740	\$ 35,829
Other Taxes	15,130	16,614	16,519	16,672	18,543	19,271	20,645	21,301	23,064	22,452
Unrestricted Intergovernmental	5,965	5,858	5,877	5,847	6,750	7,386	7,231	7,299	7,409	7,280
Restricted Intergovernmental	11,048	12,166	7,978	6,424	5,720	8,021	9,252	11,435	7,139	8,425
Licenses, Permits and fees	2,365	2,632	2,457	2,289	3,818	2,353	2,929	3,593	2,973	4,006
Sales and Services	5,290	5,117	5,484	5,180	5,766	5,083	4,844	5,576	5,718	4,539
Investment Earning	917	970	69	463	370	700	438	424	1,832	1,872
Other Revenue	896	1,360	1,316	1,715	861	1,340	3,182	1,443	1,552	2,071
Total revenues	\$ 72,360	\$ 76,284	\$ 69,976	\$ 70,846	\$ 74,784	\$ 76,930	\$ 81,906	\$ 85,445	\$ 84,427	\$ 86,474
Expenditures										
General government	\$ 8,727	\$ 9,100	\$ 11,238	\$ 10,331	\$ 10,504	\$ 12,413	\$ 12,135	\$ 12,176	\$ 12,277	\$ 12,831
Public safety	35,256	35,100	36,077	36,072	35,521	37,029	39,141	40,633	41,330	40,295
Public works	9,432	9,838	8,361	8,130	7,924	8,581	8,971	10,798	11,752	14,084
Environmental Protection	-	-	-	-	-	-	3,534	1,454	1,229	-
Cultural and Recreation	8,443	8,772	4,121	4,748	5,176	6,018	5,874	11,084	10,509	12,799
Economic and physical development	4,545	4,956	11,630	10,585	19,185	15,964	18,373	12,668	11,867	9,738
Capital Outlay	9,861	10,647	3,786	3,591	2,596	-	-	-	-	-
Reimbursement of indirect cost	(373)	(601)	(1,014)	(1,111)	(1,285)	(1,391)	(1,312)	(1,522)	(1,532)	-
Contribution to OPEB Trust	250	250	300	350	400	450	500	500	600	-
Debt service										
Principal	3,389	3,047	12,613	3,342	3,766	3,808	3,928	4,578	4,292	4,445
Interest and fees	1,580	1,684	2,010	894	1,034	871	1,182	1,083	1,023	1,068
Total expenditures	\$ 81,110	\$ 82,793	\$ 89,122	\$ 76,932	\$ 84,821	\$ 83,743	\$ 92,326	\$ 93,452	\$ 93,347	\$ 95,260
Excess of revenues over (under) expenditures	\$ (8,750)	\$ (6,509)	\$ (19,146)	\$ (6,086)	\$ (10,037)	\$ (6,813)	\$ (10,420)	\$ (8,007)	\$ (8,920)	\$ (8,786)
Other financing sources (uses)										
Transfers from other funds	\$ 12,739	\$ 14,207	\$ 12,127	\$ 16,027	\$ 15,880	\$ 16,410	\$ 18,823	\$ 25,750	\$ 17,232	\$ 20,719
Transfers to other funds	(7,432)	(8,774)	(7,766)	(11,213)	(11,622)	(11,277)	(14,166)	(21,518)	(12,777)	(16,781)
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	-	-	782
Refunding debt issued	-	-	-	-	-	6,185	-	-	-	-
Long Term debt issued	3,244	4,293	22,541	4,997	4,200	2,096	9,500	-	963	7,850
Total other financing sources (uses)	\$ 8,551	\$ 5,518	\$ 17,152	\$ 9,811	\$ 8,458	\$ 7,166	\$ 14,853	\$ 4,232	\$ 5,418	\$ 12,570
Net change in fund balances	\$ (199)	\$ (991)	\$ (1,994)	\$ 3,725	\$ (1,579)	\$ 353	\$ 4,433	\$ (3,775)	\$ (3,502)	\$ 3,784
Debt services as a percentage of noncapital expenditures	7.0%	7.0%	17.0%	6.0%	6.0%	6.0%	6.3%	6.4%	6.0%	6.1%

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
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
2020	730,472,461	985,321,124	2,101,647	2,060,472	7,298,902	25,156,495

CITY OF GREENVILLE, NORTH CAROLINA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Table 6

LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Real Property		Personal Property	Total Taxable	(2) Total Direct Tax Rate	Estimated Actual Taxable/Market Value	(1) Assessed Value as a Percentage of Market Value
	Residential and Commercial Property	Motor Vehicle and Other Personal Property	Assessed Value				
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%	
2020	6,019,688,462	949,699,615	6,969,388,077	0.0052	6,969,388,077	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 10 FISCAL YEARS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Electric (per kWh)										
Residential	\$ 0.1290	\$ 0.1310	\$ 0.1299	\$ 0.1310	\$ 0.1309	\$ 0.1249	\$ 0.1010	\$ 0.1195	\$ 0.1182	\$ 0.0941
Commercial & Industrial	0.1038	0.1025	0.1027	0.1031	0.1028	0.0945	0.0980	0.0940	0.0959	0.0959
Water (per kgal)										
Residential	4.5887	5.0031	5.0344	5.0703	5.3871	5.6670	5.7550	5.6620	5.9000	6.0900
Commercial & Industrial	2.8823	3.0610	2.8911	2.8810	3.0439	3.1589	3.2300	3.2250	3.5300	3.8300
Gas (per ccf)										
Residential	1.4856	1.5097	1.3558	1.4078	1.4695	1.3853	1.1180	1.4050	1.0717	1.0399
Commercial & Industrial	1.0119	0.9488	0.8636	0.9205	0.9365	0.7745	0.9718	0.9195	1.0281	1.0178

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
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
* 2020	0.520	35,965,756	0.721	89,707,148	1.241	125,672,904

* 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

<u>Taxpayer</u>	<u>2020</u>			<u>2011</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>
RPI Greenville Mall LP	\$ 43,741,374	1	0.65%			
North Campus Crossing				\$ 45,418,511	1	0.77%
Wal Mart Real Estate Business Trust	38,469,708	2	0.56%			
Cooper Beech Townhome Communities				43,132,107	2	0.72%
401 Moye Boulevard Realty DST	37,357,114	3	0.54%			
Marelda Greenville Mall / Colonial Mall				41,868,724	3	0.71%
Copper Beech Townhome Communities Thirty SPE LLC	37,150,841	4	0.54%			
PL Greenville LP				39,542,426	4	0.67%
PEP ECU LLC	35,190,534	5	0.51%			
Carolina Telephone				31,292,627	5	0.53%
Breit SH Province Greenville LP	29,797,013	6	0.43%			
Corridor Greenville LLC				29,909,333	6	0.50%
Treybrooke LLC	28,578,289	7	0.41%			
Southeast Region (Pirates Cove)				21,899,283	7	0.37%
Taft Ward ECU Campus Edge Apts LLC	27,011,699	8	0.39%			
Waterford Place Apartment (I, II, III, & IV)				21,400,965	8	0.36%
Taft Ward Investments LLC	26,159,724	9	0.38%			
Centro Heritage UC Greenville (University Commons)				20,710,833	9	0.35%
Mimg CXLIX Southgate Sub LLC	25,959,986	10	0.38%			
Lowes Home Centers (Two Locations)				20,407,167	10	0.34%
Totals	<u>\$ 329,416,282</u>		4.77%	<u>\$ 315,581,976</u>		5.33%

Note: Information obtained from Pitt County Government

CITY OF GREENVILLE, NORTH CAROLINA
TEN LARGEST CUSTOMERS

Table 10

CURRENT YEAR AND NINE YEARS AGO

Electric Fund		Fiscal Year 2020		Fiscal Year 2011	
		Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Customer	Product/Service				
DSM Dyneema, LLC	High Performance Fibers	\$ 4,861,036	2.88%	\$ 4,126,972	2.11%
Patheon Manufacturing Services LLC ¹	Pharmaceuticals	4,471,495	2.65%	7,149,961	3.65%
Vidant Health ²	Health Care	4,310,976	2.56%	5,255,268	2.68%
East Carolina University	Education	3,976,205	2.36%	4,651,127	2.38%
Attends Healthcare Products	Medical Products	3,556,900	2.11%	3,236,970	1.65%
East Carolina University	Education	2,854,679	1.69%	3,126,809	1.60%
Vidant Health ²	Health Care	2,278,027	1.35%	1,493,186	0.76%
East Carolina University	Education	2,057,339	1.22%	2,297,192	1.17%
City of Greenville	Government	1,708,751	1.01%		
Mayne Pharma Inc. ³	Pharmaceuticals	1,553,330	0.92%		
ASMO of Greenville	Motors			1,212,182	0.62%
Hyster Yale Group ⁴	Fork Lift Trucks			1,159,043	0.59%
Totals		<u>\$ 31,628,738</u>	<u>18.75%</u>	<u>\$ 33,708,710</u>	<u>17.21%</u>

CITY OF GREENVILLE, NORTH CAROLINA
TEN LARGEST CUSTOMERS

Table 10

CURRENT YEAR AND NINE YEARS AGO

Water Fund

Customer	Product/Service	Fiscal Year 2020		Fiscal Year 2011	
		Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Patheon Manufacturing Services LLC ¹	Pharmaceuticals	\$ 880,048	3.88%	\$ 483,445	3.35%
Town of Farmville	Government	868,340	3.83%		
Town of Winterville	Government	376,347	1.66%	88,656	0.61%
Vidant Health ²	Health Care	336,224	1.48%	227,409	1.58%
Vidant Health ²	Health Care	203,841	0.90%	72,600	0.50%
DSM Dyneema, LLC	High Performance Fibers	187,919	0.83%	71,413	0.50%
Fuji Silysia Chemical USA, LTD	Silica Gel	176,846	0.78%	58,887	0.41%
DSM Dyneema, LLC	High Performance Fibers	173,433	0.77%	58,713	0.40%
Vidant Health ²	Health Care	114,582	0.51%	61,543	0.42%
Stokes Regional Water Corporation	Water Utility	88,631	0.39%		
East Carolina University	Education			74,703	0.52%
Pitt County	Government			54,652	0.38%
Totals		\$ 3,406,211	15.03%	\$ 1,252,021	8.67%

¹ Formerly DSM Pharmaceuticals, Inc.

² Formerly Pitt County Memorial Hospital

³ Formerly Metrics, Inc.

⁴ Formerly NACCO Materials Handling

CITY OF GREENVILLE, NORTH CAROLINA
TEN LARGEST CUSTOMERS

Table 10

CURRENT YEAR AND NINE YEARS AGO

Sewer Fund

Customer	Product/Service	Fiscal Year 2020		Fiscal Year 2011	
		Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Patheon Manufacturing Services LLC ¹	Pharmaceuticals	\$ 839,769	3.58%	\$ 693,732	4.31%
DSM Dyneema, LLC	High Performance Fibers	774,230	3.30%	166,263	1.03%
Vidant Health ²	Health Care	518,450	2.21%	381,345	2.37%
Town of Bethel	Government	362,905	1.55%	386,724	2.40%
Vidant Health ²	Health Care	309,906	1.32%	121,634	0.76%
Fuji Silysia Chemical USA, LTD	Silica Gel	288,970	1.23%	104,025	0.65%
Vidant Health ²	Health Care	178,113	0.76%	99,472	0.62%
Mayne Pharma Inc. ³	Pharmaceuticals	122,389	0.52%		
East Carolina University	Education	95,570	0.41%	125,891	0.78%
Greenville Housing Authority	Apartments	95,409	0.41%		
Town of Grimesland	Apartments			63,063	0.39%
Pitt County	Government			59,674	0.37%
Totals		\$ 3,585,711	15.29%	\$ 2,201,823	13.68%

CITY OF GREENVILLE, NORTH CAROLINA
TEN LARGEST CUSTOMERS

Table 10

CURRENT YEAR AND NINE YEARS AGO

Gas Fund	Customer	Product/Service	Fiscal Year 2020		Fiscal Year 2011	
			Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
	Patheon Manufacturing Services LLC ¹	Pharmaceuticals	\$ 2,980,344	9.64%	\$ 3,545,330	9.54%
	East Carolina University	Education	2,159,198	6.98%	3,358,351	9.04%
	Vidant Health ²	Health Care	1,562,236	5.05%	1,906,618	5.13%
	Vidant Health ²	Health Care	1,028,298	3.33%	703,902	1.89%
	Mayne Pharma Inc. ³	Pharmaceuticals	896,537	2.90%	460,656	1.24%
	East Carolina University	Education	702,576	2.27%	1,098,290	2.96%
	DSM Dyneema, LLC	High Performance Fibers	672,620	2.18%	1,027,663	2.77%
	DSM Dyneema, LLC	High Performance Fibers	642,510	2.08%	933,903	2.51%
	Fuji Silysia Chemical USA, LTD	Silica Gel	574,149	1.86%	514,313	1.38%
	S T Wooten Construction Corp.	Construction	488,184	1.58%		
	Greenville Paving & Contracting, Inc.	Highway and Street Paving			478,662	1.29%
	Totals		\$ 11,706,652	37.87%	\$ 14,027,688	37.75%

¹ Formerly DSM Pharmaceuticals, Inc.

² Formerly Pitt County Memorial Hospital

³ Formerly Metrics, Inc.

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

Table 11

LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>** Property Tax</u>	<u>Sales Tax</u>	<u>* Franchise Tax</u>	<u>Alcoholic Beverage Tax</u>	<u>Other Taxes</u>	<u>Total</u>
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
2020	35,868,136	20,465,509	7,605,255	392,527	162,110	64,493,537

* 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	Fiscal Year of the Levy			Amount	Percentage of Levy
		Amount	Percentage of Levy			
2011	30,838,534	29,811,533	96.67%	847,301	30,658,834	99.42%
2012	31,389,341	30,505,550	97.18%	733,000	31,238,550	99.52%
2013	30,005,085	29,195,139	97.30%	190,149	29,195,139	97.30%
2014	31,657,568	31,205,438	98.57%	387,759	31,205,438	98.57%
2015	32,647,441	32,389,782	99.21%	77,771	32,389,782	99.21%
2016	32,676,680	32,488,669	99.42%	155,846	32,488,669	99.42%
2017	33,704,285	33,536,293	99.50%	138,710	33,536,293	99.50%
2018	34,150,363	34,002,040	99.57%	245,494	34,002,040	99.57%
2019	35,048,537	34,944,274	99.70%	104,263	34,944,274	99.70%
2020	35,965,756	35,868,136	99.73%	-	35,868,136	99.73%

(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				Business-type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Assessment Bonds	Certificates of Participation	Installment Purchase Contracts	Revenue Bonds	General Obligation Bonds	Installment Purchase Contracts	Other Debt			
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%	1,844
2014	10,222	3,165	-	23,192	72,136	4,207	2,099	36,390	151,411	2.44%	1,740
2015	9,392	6,925	-	20,694	64,401	4,013	630	36,339	142,394	2.26%	1,600
2016	8,667	6,455	-	20,251	93,652	3,838	959	46,663	180,485	2.77%	2,028
2017	15,832	5,960	-	19,158	87,558	3,493	801	58,060	190,862	2.84%	2,121
2018	14,666	5,435	-	16,339	87,629	3,114	642	38,764	166,589	2.42%	1,811
2019	13,504	4,880	-	14,729	133,746	2,741	487	37,631	207,718	2.65%	2,258
2020	20,206	4,295	-	12,028	129,132	2,374	330	63,039	231,404	(1)	2,488

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
2011	17,948	943	17,005	0.29%	0.28%	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	0.21%	0.21%	146
2016	12,505	354	12,151	0.19%	0.19%	135
2017	19,325	661	18,664	0.29%	0.29%	203
2018	17,780	771	17,009	0.25%	0.26%	185
2019	16,245	1,135	15,110	0.22%	0.22%	164
2020	22,580	1,725	20,855	(1)	0.30%	224

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 474,012	\$ 489,077	\$ 461,333	\$ 486,793	\$ 489,684	\$ 499,302	\$ 480,851	\$ 526,807	\$ 548,180	\$ 557,551
Total net debt applicable to limit	<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>	<u>26,875</u>
Legal debt margin	\$ <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>	\$ <u>530,676</u>
Total net debt applicable to the limit as a percentage of debt limit	33.25%	30.74%	33.82%	31.33%	29.08%	36.15%	39.37%	31.62%	37.89%	4.82%

Legal Debt Margin Calculation for Fiscal Year 2020

Assessed value	\$ 6,969,388,077
Debt Limit (8% of total assessed value)	557,551,046
Debt applicable to limit:	
General obligation bonds	22,580,000
Special obligation revenue	<u>4,295,000</u>
Legal debt margin	<u>\$ 530,676,046</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, 2020

<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><u>\$ 25,654</u></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		
									Principal	Interest	Coverage
2011	274,671	236,102	38,569	8,368	4,905	13,273	2.91	967	320	215	1.81
2012	261,313	228,583	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
2020	251,981	207,348	44,633	6,854	5,054	11,908	3.75	1,052	585	155	1.42

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 (thousands of dollars)	Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
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	7,410,874	41,191	32	26,600	4.2%
2019	93,400	(1)	(1)	(1)	23,200	5.2%
2020	93,400*	(1)	(1)	(1)	23,343	7.3%

Note 1: Population unavailable for this period.

Note 2: Unemployment rate information obtained from US Census Bureau and Pitt County Development Commission, respectively.

Note 3: Personal Income and Per Capita information obtained from U.S. Bureau of Economic Analysis.

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.

Median age information obtained from the NC Dept. of Commerce.

Note 5: 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	2020			2011		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Vidant Health	6,760	1	8.69%	7,868	1	11.08%
East Carolina University	5,672	2	7.29%	5,455	2	7.68%
Pitt County Public Schools	3,699	3	4.75%	3,111	3	4.38%
Patheon, Inc. (Thermo Fisher Scientific)	1,261	4	1.62%	1,100	4	1.55%
Hyster-Yale (NACCO)	1,226	5	1.58%	1,000	6	1.41%
City of Greenville	1,132	6	1.45%	743	9	1.05%
Pitt Community College	1,100	7	1.41%	861	7	1.21%
County of Pitt	1,000	8	1.29%	968	5	1.36%
Asmo Greenville of North Carolina	722	9	0.93%	*NDF	*NR	0.00%
Mayne Pharma, Inc.	629	10	0.81%	*NDF	*NR	0.00%
Total	23,201		29.82%	21,106		29.72%

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>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Function										
General government	68	62	65	68	61	56	63	64	66	67
Public safety										
Police	239	240	240	241	233	239	230	293	240	247
Fire	157	157	153	158	148	158	153	152	151	152
Public Works	205	204	204	188	168	152	154	157	152	129
Recreation and Parks	62	65	65	67	57	74	56	51	54	56
Community Development	26	26	34	36	30	39	32	32	36	36
Engineering*	-	-	-	-	-	-	-	-	-	28
Electric	196	197	197	210	135	203	137	135	142	144
Water and Sewer	158	159	159	167	117	120	122	122	124	123
Gas	67	64	66	70	51	77	54	49	55	53
Total Employees	<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>	<u>1,035</u>

*Note: Department created in FY 2019

Source: Human Resources Department and Greenville Utilities Commission.

CITY OF GREENVILLE, NORTH CAROLINA
OPERATING INDICATORS BY FUNCTION

Table 21

Last Ten Fiscal Years

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Function										
Police										
Physical arrests	4,888	4,861	5,592	5,487	4,590	4,254	3,645	3,650	3,325	3,028
Parking violations	4,658	5,537	7,522	8,646	8,717	13,970	14,482	21,789	15,466	11,604
Traffic violations	16,235	15,420	16,975	11,979	9,720	8,753	6,922	7,433	8,472	9,349
Fire										
Number of calls answered	4,746	5,339	5,479	5,753	2,706	2,959	3,087	2,946	3,457	3,113
Inspections	2,787	2,593	1,902	1,571	1,938	1,699	2,709	3,333	3,282	2,997
EMS										
Number of calls answered	15,149	15,006	15,080	15,353	13,917	14,065	15,001	14,757	15,148	14,443
Sanitation										
Refuse collected (tons/year)	28,286	29,309	27,888	27,955	28,318	28,558	27,235	28,390	30,708	33,628
Recyclables collected (tons/year)	4,038	5,538	5,101	4,446	3,366	3,920	4,154	4,449	3,991	2,821
Culture and recreation										
Facility reservations issued	1,936	2,013	1,841	1,692	1,798	2,106	1,292	1,292	1,705	1,120
Water										
Connections (of service connect)	34,419	34,514	34,742	34,959	35,179	35,599	35,794	36,338	36,183	37,195
Water Lines (miles)	626	628	628	627	628	629	631	631	633	634
Average daily consumption (thousands/millions of gallons)	11,850	11,896	12,008	12,394	12,800	12,384	12,237	12,800	14,200	13,642
Wastewater										
Average daily sewage treatment (thousands/million of gallons)	9,593	10,301	10,426	10,530	10,800	11,195	10,220	9,550	10,400	9,948

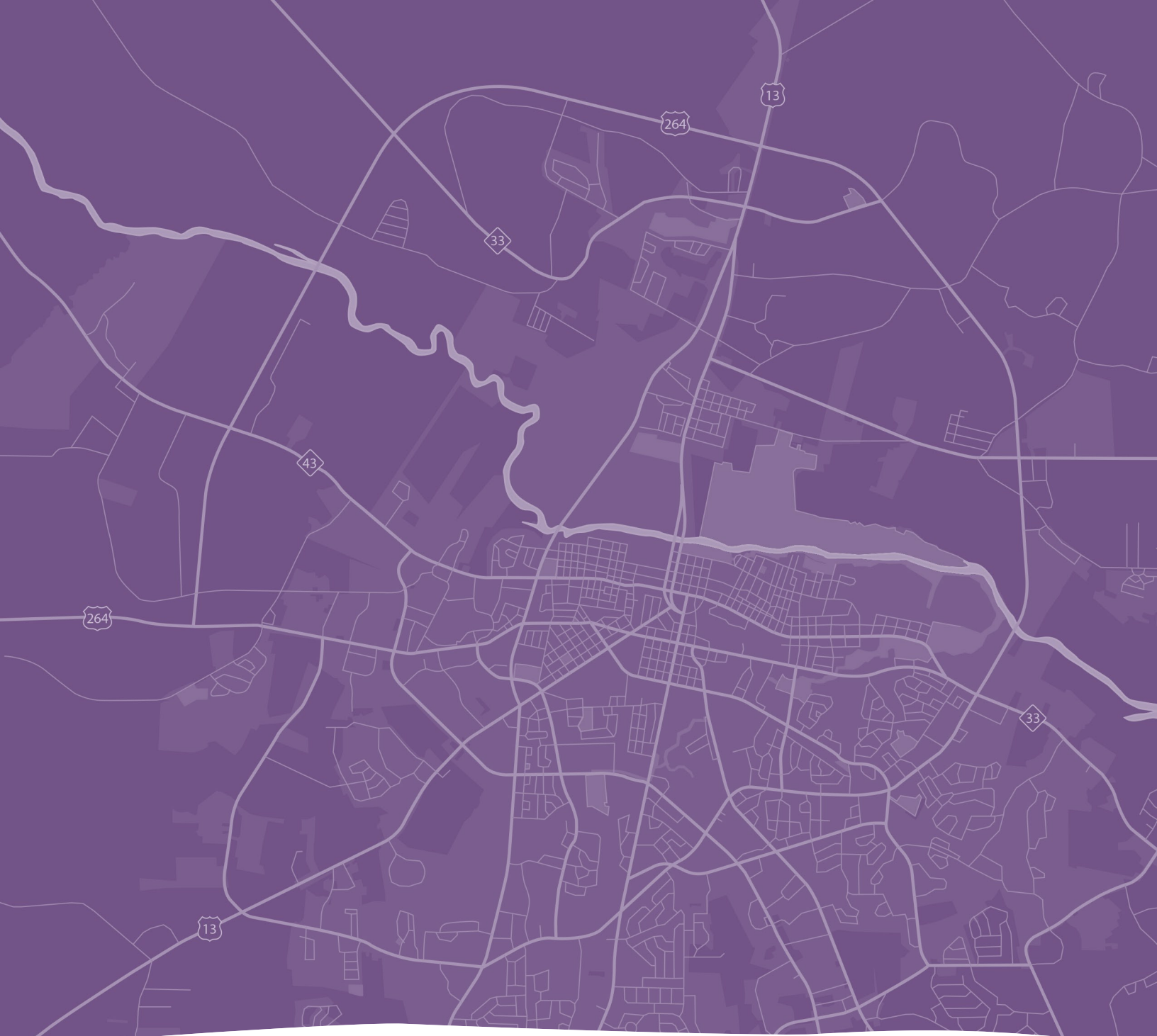
Sources: Various government and GUC departments.

CITY OF GREENVILLE, NORTH CAROLINA
CAPITAL ASSET STATISTICS BY FUNCTION

Table 22

Last Ten Fiscal Years

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Function										
Public safety:										
Police Stations	3	3	3	3	3	3	4	4	3	5
Patrol units	192	203	203	202	178	202	208	214	214	241
Fire stations	6	6	6	6	6	6	6	6	6	6
Sanitation:										
Collection trucks	42	42	41	38	41	45	40	40	40	43
Highways and streets:										
Streets (miles)	269.9	269.0	269.1	269.33	269.59	269.1	270.78	272.08	274.46	277.09
Streetlights	6,993	7,065	7,105	7,152	7,220	7,105	7,250	7,448	7,627	7,926
Traffic signals	33	33	33	33	33	33	33	32	31	29
Culture and recreation:										
Parks acreage	1,455	1,455	1,455	1,455	1,455	1,454	1,460	1,466	1,466	1,651
Parks	29	29	29	29	29	26	26	27	27	28
Swimming pools	2	2	2	2	2	2	2	2	2	2
Spraygrounds	-	-	1	1	1	1	1	1	1	1
Tennis courts	24	24	24	24	24	21	21	20	12	12
Community centers	2	3	3	3	3	3	3	3	3	3
Recreation Centers:	6	6	6	6	6	7	7	7	7	7
Specialty Centers:	3	3	3	3	3	3	3	3	3	3
Electric:										
Number of distribution stations	19	19	19	19	19	19	23	19	19	19
Miles of service lines	2,672	2,714	2,719	2,781	2,804	2,901	2,917	2,939	2,993	2,967
Water:										
Water lines (miles)	626	628	628	627	628	629	631	631	633	634
Maximum daily treatment capacity (millions of gallons)	24.5	24.5	24.5	24.5	22.5	24.5	22.5	17.8	22.5	24.5
Sewer:										
Sanitary sewers (miles)	469	471	479	471	475	479	479	481	482	483
Maximum daily treatment capacity (millions of gallons)	17.5	17.5	17.5	17.5	17.5	17.5	17.5	17.5	24.5	17.5
Gas:										
Miles of pipeline	600	604	609	612	613	614	621	1070	626	728.68
Miles of service lines	424	430	434	437	438	440	446	446	446	478.3



Single Audit & Compliance

Comprehensive Annual Financial Report
Fiscal year ending June 30, 2020

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

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 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, 2020, 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 10, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City’s internal control over financial reporting (“internal control”) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Chemy Bekaert LLP

Raleigh, North Carolina
December 10, 2020

**Report of Independent Auditor on Compliance for Each Major Federal Program
and on Internal Control over Compliance Required by the 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”)’s 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, 2020. 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 statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the 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, 2020.

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 each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an 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 10, 2020

**Report of Independent Auditor on Compliance for Each Major State Program
and Report on Internal Control over Compliance Required by the 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”)’s compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by Local Government Commission, that could have a direct and material effect on each of its major State programs for the year ended June 30, 2020. 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 requirement 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 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”), as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the *State Single Audit Implementation Act*. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about the 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, 2020.

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 each major State program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a State program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a State program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

Purpose of This Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Chemy Bekaert LLP

Raleigh, North Carolina
December 10, 2020

CITY OF GREENVILLE, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2020

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
20.205	Highway Planning and Construction Cluster
14.218	Community Development Block Grant/Entitlement Grants 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, 2020

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, 2020

None reported

CITY OF GREENVILLE, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

YEAR ENDED JUNE 30, 2020

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		\$ 2,785	\$ -	\$ -	\$ -	\$ 2,785
CDBG Entitlement Grant	14.218		9,083	-	-	-	9,083
CDBG Entitlement Grant	14.218		289,016	-	25,391	-	289,016
CDBG Entitlement Grant	14.218		608,623	-	95,235	195,071	803,694
CDBG Entitlement Grant	14.218		464,069	-	28,173	148,001	612,070
Total CDBG Entitlement Grants Cluster			1,373,576	-	148,799	343,072	1,716,648
HOME Investment Partnerships Program	14.239		24,746	-	-	135	24,881
HOME Investment Partnerships Program	14.239		47,145	-	-	257	47,402
HOME Investment Partnerships Program	14.239		108,731	-	-	595	109,326
HOME Investment Partnerships Program	14.239		173,586	-	-	955	174,541
			354,208	-	-	1,942	356,150
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900		44,245	-	-	245	44,490
Total U.S. Department of Housing and Urban Development			1,772,029	-	148,799	345,259	2,117,288
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	20.205		303,926	-	-	75,982	379,908
Passed through NC Public Transportation Division							
Construction--South Tar River Greenway, Phase 3	20.205	EB-5539	207,430	-	-	51,858	259,288
SAFETEA-LU Safe Routes to School	20.205	SR-5001CA	495,256	-	-	-	495,256
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.205	PL-104	147,800	-	-	9,237	157,037
Total Highway Planning and Construction Cluster			1,154,412	-	-	137,077	1,291,489
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	PL-104	33,600	-	-	4,200	37,800
<u>Federal Transit Cluster</u>							
COVID 19: Federal Transit - Formula Grants	20.507		680	-	-	-	680
Federal Transit - Formula Grants	20.507		343,548	-	-	343,548	687,096
Federal Transit - Formula Grants	20.507		253,619	-	-	253,619	507,238
Federal Transit - Formula Grants	20.507		143,604	-	143,604	35,901	179,505
Federal Transit - Formula Grants	20.507		433,251	-	-	108,313	541,564
Federal Transit - Formula Grants	20.507		1,960	-	-	245	2,205
Total Federal Transit Cluster			1,176,662	-	143,604	741,626	1,918,288
Total U.S. Department of Transportation			2,364,674	-	143,604	882,903	3,247,577
U.S. Department of Justice							
Direct Programs -							
Public Safety Partnership and Community Policing Grants	16.710		161,601	-	-	104,906	266,507
Public Safety Partnership and Community Policing Grants	16.710		138,426	-	-	38,985	177,411
National Sexual Assault Kit Initiative	16.833		143,386	-	-	-	143,386
Edward Byrne Memorial Justice Assistance Grant Program	16.738		30,339	-	-	-	30,339
Equitable Sharing Program	16.922		75,069	-	-	-	75,069
Total U.S. Department of Justice			548,821	-	-	143,891	692,712
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	5,550	-	-	-	5,550
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4393-DR-NC	46,863	-	-	-	46,863
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4465-DR-NC	3,484	-	-	-	3,484
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4285-DR-NC	587,525	-	-	(587,525)	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4393-DR-NC	228,433	-	-	438,511	666,944
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4465-DR-NC	149,305	-	-	64,372	213,677
Total Department of Homeland Security			1,021,160	-	-	(84,642)	936,518
Environmental Protection Agency							
Direct Programs -							
Brownfields Training, Research, and Technical Assistance Grants	66.814		127,682	-	-	-	127,682
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	CS370487-11	-	-	-	49,790	49,790
Capitalization Grants for Clean Water State Revolving Funds	66.458	CS370487-10	11,943,481	-	-	7,845	11,951,326
Total Clean Water State Revolving Fund Cluster			11,943,481	-	-	57,635	12,001,116
Total Environmental Protection Agency			12,071,163	-	-	57,635	12,128,798

CITY OF GREENVILLE, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

YEAR ENDED JUNE 30, 2020

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:							
Department of Natural and Cultural Resources							
North Carolina Museum of Natural Sciences							
North Carolina Museum Grant	N/A	536G49 NCDR	\$ -	\$ 21,929	\$ -	\$ -	\$ 21,929
Parks and Recreation Division							
Connect NC Bond Grant	N/A	2017 CNC 06	-	119,169	-	22,100	141,269
Total Department of Natural and Cultural Resources							
Department of Transportation							
Division of Highways							
Powell Bill Funds	DOT-4	200026714	-	2,500,000	-	-	2,500,000
Public Transportation Division							
Urban/Regional Bus and Facility Program	N/A	10-0400-32.02	-	245	-	-	245
State Planning and Research/MPO	DOT-11	PL-104	-	4,200	-	-	4,200
State Planning and Research/SPR	DOT-11	PL-104	-	27,712	-	-	27,712
State Maintenance Assistance Program (SMAP)	DOT-16	18SMAP012	-	275,125	-	-	275,125
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							
Department of Public Safety							
Division of Emergency Management							
Disaster Recovery	N/A	FEMA-4285-DR-NC	-	1,850	-	-	1,850
Disaster Recovery	N/A	FEMA-4393-DR-NC	-	15,621	-	-	15,621
Disaster Recovery	N/A	FEMA-4465-DR-NC	-	1,161	-	-	1,161
Disaster Recovery	N/A	FEMA-4285-DR-NC	-	196,956	-	(196,956)	-
Disaster Recovery	N/A	FEMA-4393-DR-NC	-	71,385	-	-	71,385
Disaster Recovery	N/A	FEMA-4465-DR-NC	-	46,658	-	-	46,658
Total Department of Public Safety							
Total Federal and State Assistance							
			\$ 17,777,847	\$ 3,302,011	\$ 292,403	\$ 1,170,190	\$ 22,250,048

CITY OF GREENVILLE, NORTH CAROLINA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

YEAR ENDED JUNE 30, 2020

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, 2020. 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.

The 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 grant.

Note 4—Local Expenditures for Disaster Recovery

Certain expenditures incurred in fiscal year 2017 that were associated with disaster recovery were reported as local expenditures in the fiscal year 2017 Schedule of Expenditures of Federal and State Awards. Subsequently, the Federal Emergency Management Agency ("FEMA") approved disaster assistance awards related to certain of these expenditures. Those subsequently approved expenditures are reported in this Schedule of Expenditures of Federal and State Awards as Federal and State expenditures related to FEMA Disaster Assistance awards, with a corresponding reduction of local expenditures.