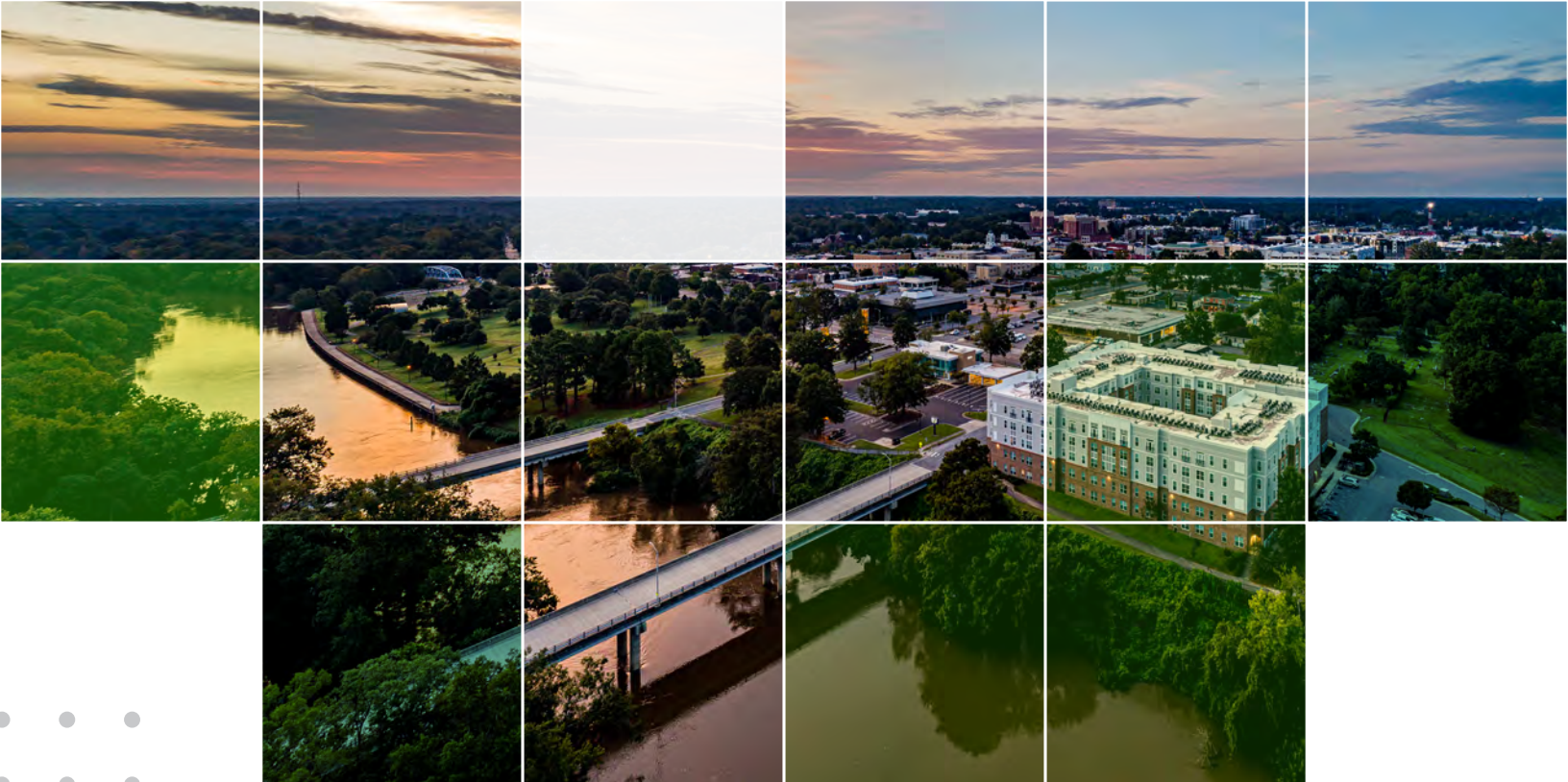




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# City of Greenville

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Annual Comprehensive Financial Report  
(ACFR) – Fiscal Year Ending June 30, 2023

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# Introduction

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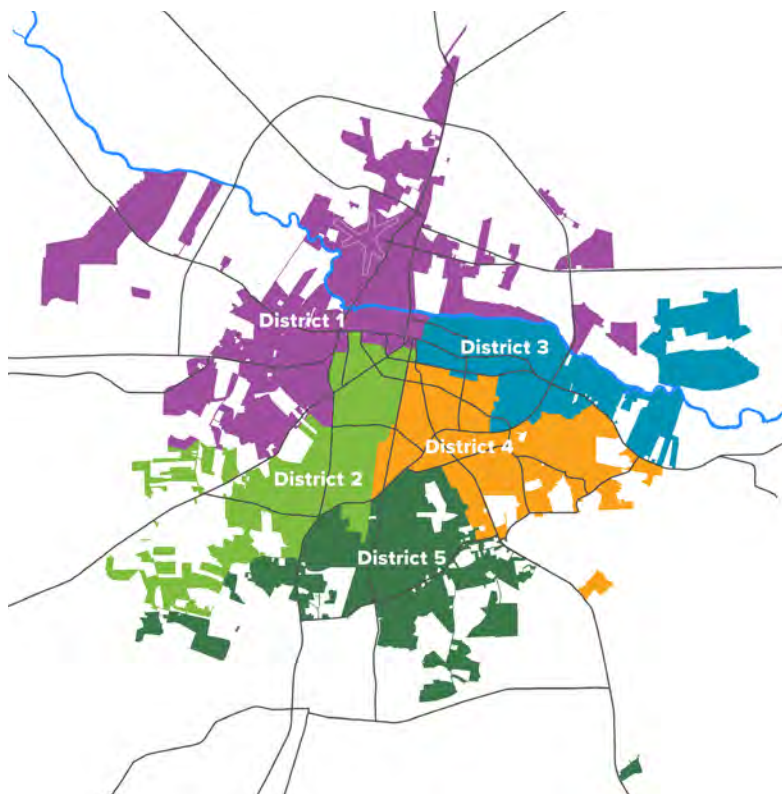
Annual Comprehensive Financial Report  
(ACFR) – Fiscal Year Ending June 30, 2023



## 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



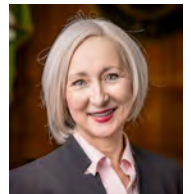
**Monica Daniels**  
Mayor Pro-Tem  
District 1



**Monica Daniels**  
District 2



**Marion Blackburn**  
District 3



**Matt Scully**  
District 4



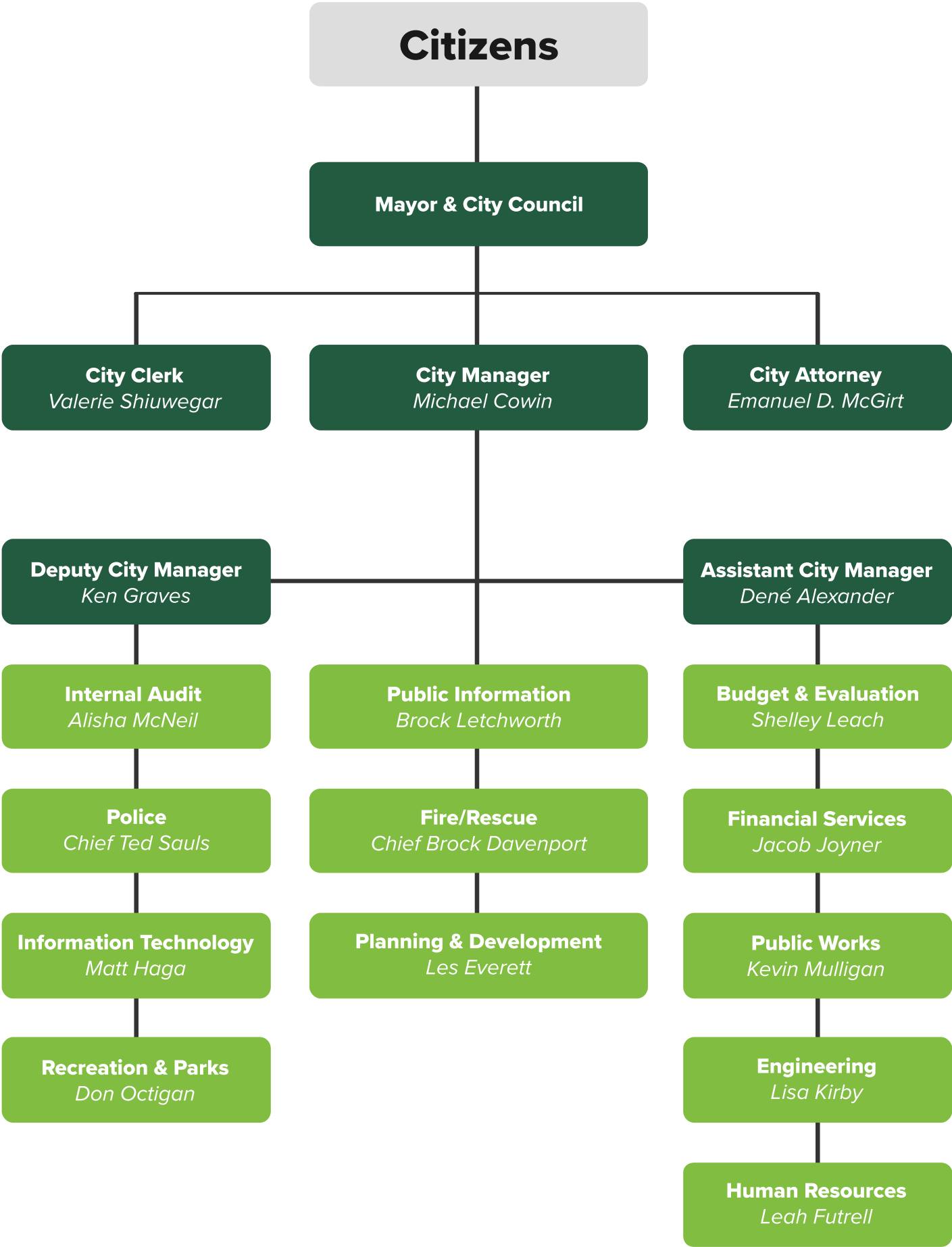
**Les Robinson**  
District 5



**Portia Willis**  
At-Large







## FINANCIAL SERVICES

### Letter of Transmittal

January 9, 2024

To the Honorable 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, 2023.

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, 2023. 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 10<sup>th</sup> 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 ECU Health 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. ECU Health 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. In 2023 ECU Health broke ground a new behavioral health hospital, slated to open in 2025.

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.

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
- Grover Gaming: Software company specializing in pull-tab machine software.
- Grady-White Boats: Has a legendary reputation for designing and producing outstanding fiberglass boats

## **Economic Impact to the City**

The City's FY 2023 budget represented a 6% increase from the FY 2022 total. This was the result of a continued focus on Council priorities during the budget process, creating a level of growth between years. These adjustments resulted in a continued focus on street maintenance funding, additional public safety positions, a mid-year salary market adjustment, and

additional commercial/industrial site development funding. In FY 2023, \$29.6 million in Sales tax was collected, increasing 8% when compared to prior year.

Based on revenues of \$104.9 million and expenses of \$98.3 million, the City's General Fund experienced a net increase in fund balance of \$6.7 million; thereby avoiding the use of the original appropriation for the year.

The City of Greenville maintains a healthy total fund balance of approximately \$36.7 million and available fund balance exceeded the 25% available 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 \$40 million. Total City debt is \$277 million.

As of June 30, 2023, 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 Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022. This was the thirty third 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 ACFR that satisfied both generally accepted accounting principles and applicable program requirements.

The ACFR for the fiscal year ended June 30, 2023 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 ACFR 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,



Jacob Joyner, CPA

Financial Services Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Greenville  
North Carolina**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO





# Financial Section

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Annual Comprehensive Financial Report  
(ACFR) – Fiscal Year Ending June 30, 2023

## Report of Independent Auditor

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

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Greenville, North Carolina (the “City”) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, as listed in the table of contents.

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, 2023, and the respective changes in financial position, where applicable, cash flows thereof, and budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

#### **Responsibilities of Management for the Financial Statements**

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

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

#### **Auditor’s Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplemental statements, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplementary information, as listed in the table of contents, and the schedule of expenditures of federal and state awards, as required by 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 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, 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.

**Other Information**

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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 9, 2024, 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 City's internal control over financial reporting and compliance.

*Cherry Bekaert LLP*

Raleigh, North Carolina  
January 9, 2024

## 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 ending June 30, 2023. 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, 2023 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 \$708,036,168 (net position). Of this amount, \$110,444,831 can be used to meet the City's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$22,589,225. The City's net position changed due to an increase of \$18,743,444 in Governmental Activities and an increase of \$3,845,781 in Business-type activities.
- The City of Greenville's governmental funds reported combined ending fund balances of \$69,695,072, an increase of \$6,274,006, in comparison with the prior year. Approximately 57.2% of the total fund balance, within the General Fund, or \$21,499,836, is available for spending at the government's discretion. Of this amount, 99.2% is considered unassigned fund balance. Approximately 42.8% of the total General Fund's fund balance amount, or \$15,695,843, is non-spendable, restricted, or committed.
- Unassigned fund balance for the General Fund was \$20,999,836, or 21.37% 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 \$6,689,806, when compared to the prior year. Overall, the expenditures increased 7.4% while revenues increased 11.1%. The increase in expenditures was driven by increased personnel costs and inflationary changes.
- 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 \$18,907,598 during the current fiscal year.

In addition, the City recognized the following accomplishments:

- For the 32nd 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.

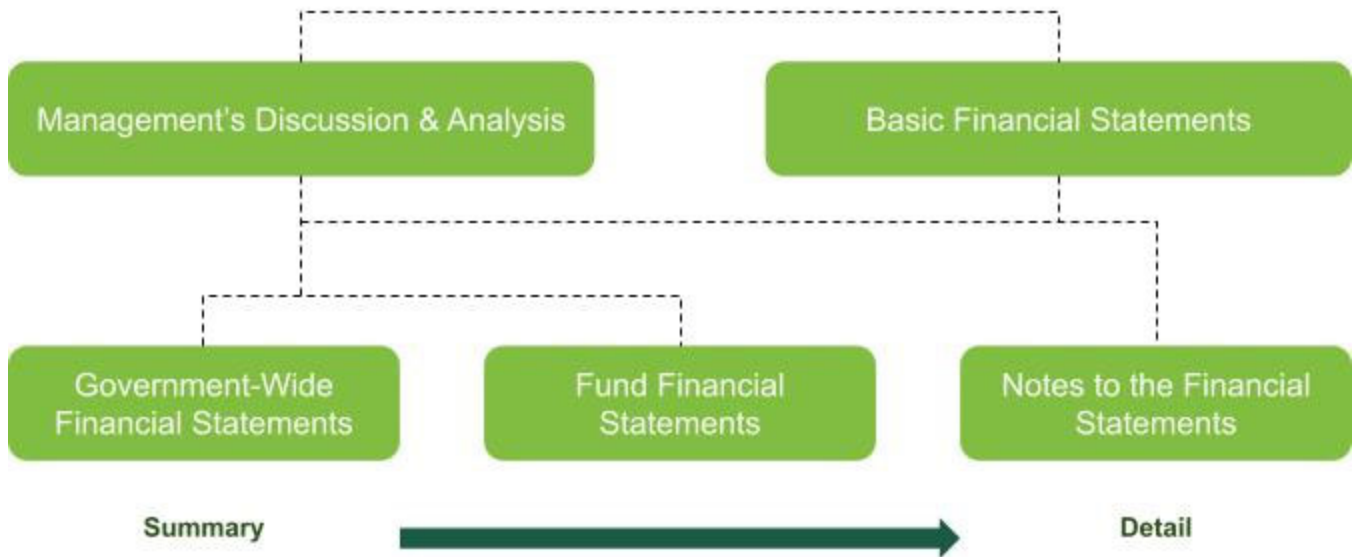
### Overview Of The Financial Statements

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.

### 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.

**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.

## Government-wide Financial Analysis

The following is a summary of net position as of June 30, 2023 (as shown in Exhibit A) with comparative data for June 30, 2022.

	Government Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$120,629,216	\$102,965,051	\$217,547,521	\$210,284,369	\$338,176,737	\$313,249,420
Investment in joint venture	30,195,154	33,377,797	-	-	30,195,154	33,377,797
Capital assets, non-depreciable	87,275,814	74,806,404	38,196,894	82,022,815	125,472,708	156,829,219
Right to use leased asset, net of amortization	82,930	56,855	543,672	522,269	626,602	579,124
Right to use suscription asset, net of amortization	2,106,271	-	326,440	-	2,432,711	-
Capital assets, net	156,947,191	151,160,149	548,071,377	483,968,625	705,018,568	635,128,774
<b>Total Assets</b>	<b>397,236,576</b>	<b>362,366,256</b>	<b>804,685,904</b>	<b>776,798,078</b>	<b>1,201,922,480</b>	<b>1,139,164,334</b>
<b>Total Deferred outflows of resources</b>	<b>48,060,536</b>	<b>47,800,561</b>	<b>30,785,758</b>	<b>27,159,953</b>	<b>78,846,294</b>	<b>74,960,514</b>
Long-term liabilities outstanding	141,263,117	125,468,421	308,071,292	266,300,415	449,334,409	391,768,836
Other liabilities	32,687,245	20,319,588	28,883,242	28,737,025	61,570,487	49,056,613
	173,950,362	145,788,009	336,954,534	295,037,440	510,904,896	440,825,449
<b>Total Deferred inflows of resources</b>	<b>39,467,332</b>	<b>51,242,836</b>	<b>22,360,376</b>	<b>36,609,620</b>	<b>61,827,708</b>	<b>87,852,456</b>
Net position:						
Investments in capital assets, net						
Investment in capital assets	205,856,663	191,804,373	361,560,881	351,793,219	567,417,544	543,597,592
Restricted	30,173,793	31,786,487	-	-	30,173,793	31,786,487
Unrestricted	(4,151,040)	(10,454,888)	114,595,871	120,517,752	110,444,831	110,062,864
<b>Total net position</b>	<b>\$231,879,416</b>	<b>\$213,135,972</b>	<b>\$476,156,752</b>	<b>\$472,310,971</b>	<b>\$708,036,168</b>	<b>\$685,446,943</b>

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 \$685,446,943 (net position). The City's net position increased by \$22,589,225 for the fiscal year ended June 30, 2023, when compared to prior year. The largest portion (80%) 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, \$30,173,793, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$110,444,831 can be used to meet the City's ongoing obligations to citizens and creditors (unrestricted).

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

- Increase in Sales Tax revenue of 8%.
- Property tax collection percentage of 99.8%.
- Investment earnings increased \$4,334,278 due to increased interest rates.
- Increase in general fund balance due to revenues exceeding expenditures. Fund balance increased \$6.6 million.

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	
	2023	2022	2023	2022	2023	2022
<b>Revenues</b>						
Charges for services	\$ 15,191,364	\$ 13,153,950	\$ 290,688,661	\$ 292,146,378	\$ 305,880,025	\$ 305,300,328
Operating grants and contributions	7,273,360	6,585,024	2,179,341	2,383,899	9,452,701	8,968,923
Capital grants and contributions	10,168,094	6,543,303	8,115,328	19,063,870	18,283,422	25,607,173
General Revenues:						
Ad valorem taxes	40,666,593	39,072,585	-	-	40,666,593	39,072,585
Other taxes	38,645,028	34,958,472	-	-	38,645,028	34,958,472
Other	1,903,056	3,146,516	3,098,167	(2,492,052)	5,001,223	654,464
<b>Total Revenues</b>	<b>113,847,495</b>	<b>103,459,850</b>	<b>304,081,497</b>	<b>311,102,095</b>	<b>417,928,992</b>	<b>414,561,945</b>
<b>Expenses</b>						
General governmental	29,558,076	28,400,879	-	-	29,558,076	28,400,879
Public Safety	37,577,140	33,954,944	-	-	37,577,140	33,954,944
Transportation	12,783,579	13,268,570	-	-	12,783,579	13,268,570
Environmental protection	-	-	-	-	-	-
Cultural and recreation	13,656,560	15,151,216	-	-	13,656,560	15,151,216
Economic and physical development	8,429,086	6,074,081	-	-	8,429,086	6,074,081
Interest and fees	827,928	1,792,866	-	-	827,928	1,792,866
Electric	-	-	174,439,315	173,137,488	174,439,315	173,137,488
Water	-	-	26,919,982	20,915,771	26,919,982	20,915,771
Sewer	-	-	27,569,104	24,338,565	27,569,104	24,338,565
Gas	-	-	44,471,304	39,389,811	44,471,304	39,389,811
Public Transportation	-	-	2,965,771	2,909,300	2,965,771	2,909,300
Stormwater Utility	-	-	7,812,809	5,306,985	7,812,809	5,306,985
Sanitation	-	-	8,329,111	6,900,302	8,329,111	6,900,302
<b>Total Expense</b>	<b>102,832,369</b>	<b>98,642,556</b>	<b>292,507,396</b>	<b>272,898,222</b>	<b>395,339,765</b>	<b>371,540,778</b>
Increase (decrease) in net position before transfers	11,015,126	4,817,294	11,574,101	38,203,873	22,589,227	43,021,167
Transfers	7,728,320	6,865,032	(7,728,320)	(6,865,032)	-	-
Increase in net position	18,743,446	11,682,326	3,845,781	31,338,841	22,589,227	43,021,167
Net position, July 1	213,135,972	201,453,646	472,310,971	440,972,130	685,446,943	642,425,776
Net position, June 30	\$ 231,879,418	\$ 213,135,972	\$ 476,156,752	\$ 472,310,971	\$ 708,036,170	\$ 685,446,943

**Governmental Activities:** Governmental activities increased the City's net position by \$18,743,444. Of total net position, governmental activities accounted for \$231,879,416, or 33%. Key elements of this increase are as follows:

- Property tax remained stable for Fiscal Year 2023, increasing 3%, while sales tax increased 8% in Fiscal Year 2023. The sales tax increase is related to continued inflationary factors within the economy, as well as a sustained period of shifting consumer spending patterns within the region.

### Business-Type Activities:

- Of the \$708,036,168 total net position, the Greenville Utilities Commission has a net position of \$443,380,645, or 63% as of June 30, 2023. Of this amount, \$100,652,393 (unrestricted net position) may be used to meet the Commission's ongoing obligations to its customers and creditors. This represents an unrestricted net position of 38% of total Commission operating expenses for the fiscal year. Overall, business-type activities increased the City of Greenville's net position by \$3,845,781, of which the Commission contributes 48% of that change. Operating revenues for GUC increased by \$831,580 or 0.3% and total revenues decreased by \$9,097,675 or 3.1%.
- Stormwater had revenues of \$10,725,318 for Fiscal Year 2023, remaining relatively unchanged from Fiscal Year 2022. Operating expenses increased 14%, due to an increase in use of on call contracts for stormwater pipe repairs. Overall, Stormwater net position increased a total of \$1,753,734 for Fiscal Year 2023.



## 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 \$20,999,836, while total fund balance was \$36,695,679. 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 26% of total General Fund expenditures, while total fund balance represents 44% of that same amount. The Council for the City has determined that the City shall maintain an available fund balance of 25% 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, 2023, the governmental funds of the City of Greenville reported a combined fund balance of \$69,695,072, which is a 9.8% 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 \$6,497,632. This was driven by increases in Sales Tax receipts and interest income.

The General Fund's operational revenues exceeded expenditures by \$14,612,381 (before other financing sources). General Fund total revenues increased 11%. General Fund revenues exceeded expenditures by \$6,689,806 increasing \$3,358,340 from FY 2022's net result.

Operating revenues exceeded budget by 5.5%. This is mainly due to a rise in inflationary factors as well as in increase to interest rates. Other major revenue increases were derived from medical transports and building inspections.

General Fund expenditures increased 7% in comparison to the prior year with most expenditure category variances being less than 10%. The increase was driven by an increase in personnel costs due to a rising wage environment.

**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, 2023, totals \$567,417,544 (net of accumulated depreciation and related debt). These assets include buildings, roads and bridges, land, machinery and equipment, park facilities, and vehicles. More detailed information about the City's capital assets is presented in Note 5 of the financial statements.

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

- Fire Station 7 - \$2,438,505
- Build Project – 5<sup>th</sup> Street - \$1,130,603
- Pavement Management Program - \$1,450,688
- Wildwood Park - \$4,319,629

Utilities Commission major capital asset events included:

- Investment in new Customer Care & Billing and Asset Management software, totaling \$2,447,022,
- Electric transmission line extensions and improvements totaling \$3,182,008,
- Electric substation improvements totaling \$562,428,
- Electric underground lines totaling \$6,848,893,
- Electric street and area light installations and replacements totaling \$1,237,681,
- Water treatment plant improvements totaling \$8,030,914,
- Water mains and services improvements and extensions totaling \$757,746,
- Wastewater treatment plant improvements totaling \$4,788,945,
- Sewer pumping stations improvements totaling \$2,164,891,
- Sewer main extensions and improvements totaling \$2,136,641,
- Natural gas distribution services improvements totaling \$2,494,426.

### City of Greenville’s Capital Assets

Figure 4

	Government Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 41,758,601	\$ 42,100,784	\$ 8,764,195	\$ 8,764,195	\$ 50,522,796	\$ 50,864,979
Right-of-Way Easement	16,174,917	14,069,517	666,979	640,937	16,841,896	14,710,454
Construction in Progress	29,342,297	18,636,102	28,765,720	72,817,200	58,108,017	91,453,302
Buildings/Plants	90,247,939	90,020,428	313,828,555	253,498,860	404,076,494	343,519,288
Other Improvements	14,268,038	12,825,740	3,781,930	3,781,930	18,049,968	16,607,670
Intangible	1,831,495	2,017,400	34,139,870	33,800,093	35,971,365	35,817,493
Infrastructure	128,538,388	120,928,955	47,637,157	45,504,016	176,175,545	166,432,971
Machinery and Equipment	22,234,775	22,069,033	6,373,496	5,643,910	28,608,271	27,712,943
Right to Use Lease	167,986	94,973	785,378	775,337	953,364	870,310
Right to Use Subscription	2,679,842	-	744,441	-	3,424,283	-
Vehicles and Equipment	46,635,832	42,696,689	42,238,620	40,721,784	88,874,452	83,418,473
Distribution Systems	-	-	580,624,949	550,937,638	580,624,949	550,937,638
Transmission Systems	-	-	48,339,949	48,314,562	48,339,949	48,314,562
<b>Subtotal</b>	<b>393,880,110</b>	<b>365,459,621</b>	<b>1,116,691,239</b>	<b>1,065,200,462</b>	<b>1,510,571,349</b>	<b>1,430,660,083</b>
Accumulated Depreciation	(147,467,904)	(139,436,214)	(529,552,856)	(498,686,752)	(677,020,760)	(638,122,966)
Capital assets, net	<u>\$246,412,206</u>	<u>\$226,023,407</u>	<u>\$587,138,383</u>	<u>\$566,513,710</u>	<u>\$833,550,589</u>	<u>\$792,537,117</u>

**Long-Term Debt:** As of June 30, 2023, the City of Greenville had total debt outstanding of \$277,488,019 excluding compensated absences, Local Governmental Employees’ Retirement System (LGERs), Other Post-Employment Benefits (OPEB), and Law Enforcement Officers’ (LEO) Separation Allowance. Of this, \$40,293,380 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. More detailed information about the City’s long-term liabilities is presented in Note 6 of the financial statements.

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

Figure 5

	Government Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
General Obligation Bonds	\$15,612,408	\$17,108,102	\$1,292,592	\$1,636,898	\$16,905,000	\$18,745,000
Special Obligation (Revenue) Bonds	16,350,910	17,659,642	165,393,478	146,621,025	181,744,388	164,280,667
Installment Purchase Contracts	8,330,062	7,869,756	-	42,606	8,330,062	7,912,362
Other Debt (GUC)	-	-	70,508,569	67,859,430	70,508,569	67,859,430
<b>Total</b>	<b>\$40,293,380</b>	<b>\$42,637,500</b>	<b>\$237,194,639</b>	<b>\$216,159,959</b>	<b>\$277,488,019</b>	<b>\$258,797,459</b>

- 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 increased by \$18,690,560 during the current fiscal year. The City's total debt, excluding GUC, decreased by \$2,779,140 during the current fiscal year.
- As of June 30, 2023 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 \$408M.

## Economic Factors And Next Year's Budgets And Rates

Budgeting for fiscal year 2024 continues to be impacted by rising interest rates and higher than normal inflation.

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.

The City continues to face challenges posed by the economy, declining State support for City services, limited revenue enhancements, and lingering effects of the COVID-19 pandemic. For FY 2024, the budget process continued to focus on revenue projections and remaining departmental budget appropriations at the close of the fiscal year. Revenues for FY 2024 mainly returned to pre-pandemic levels, including many program fees which were impacted the most by the pandemic. In addition, the property tax rate remained at \$0.4895, resulting in property tax revenues anticipated to generate \$39,689,205, roughly 39% of the total General Fund revenues. Sales tax revenues are projected to increase 4% from the FY 2023 collections due to the current inflationary growth.

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 2023 budget is \$6,828,328.

## Budget Highlights For The Fiscal Year Ending June 30, 2024

**Governmental Activities:** The General Fund is the City's primary general government operating fund and is budgeted at \$101,539,765 for FY 2024, a 6% increase when compared to the prior year's adopted amount of \$95,155,572. 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 2024 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 75% of the revenue stream:

- **Property Taxes**

- The City's property tax base consist of real property values, personal property values, motor vehicles, and public service companies. For FY 2023-24, the assessed value for the City of Greenville is estimated at approximately \$8,398,631,559. For FY 2022-2023, the City of Greenville's assessed value was \$8,384,415,066. This represents an increase in value of \$14,216,493 which is a less than 1% increase over prior year. The proposed FY 2024 General Fund budget is maintained at 48.95¢. The amount of projected tax collections based on FY 2024 tax rate of 48.95¢ is anticipated to produce total property tax revenues of \$41,395,050, or 40% of the total General Fund.

- **Sales Tax**

- Local sales tax collections have continued to increase, driven by inflationary pressure as well as continued economic investment in Greenville, NC. Sales tax revenue collections in FY 2024 were estimated to be \$30.6 million. Sales tax increases in recent years has been driven by an increase in private development within the City, and it is anticipated that the revenue growth will begin to reduce as development slows. Staff will continue to monitor as the year progresses.

- **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. 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 \$6.9 million, a slight increase 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 2024 budget includes \$500,000 appropriated within the General Fund.

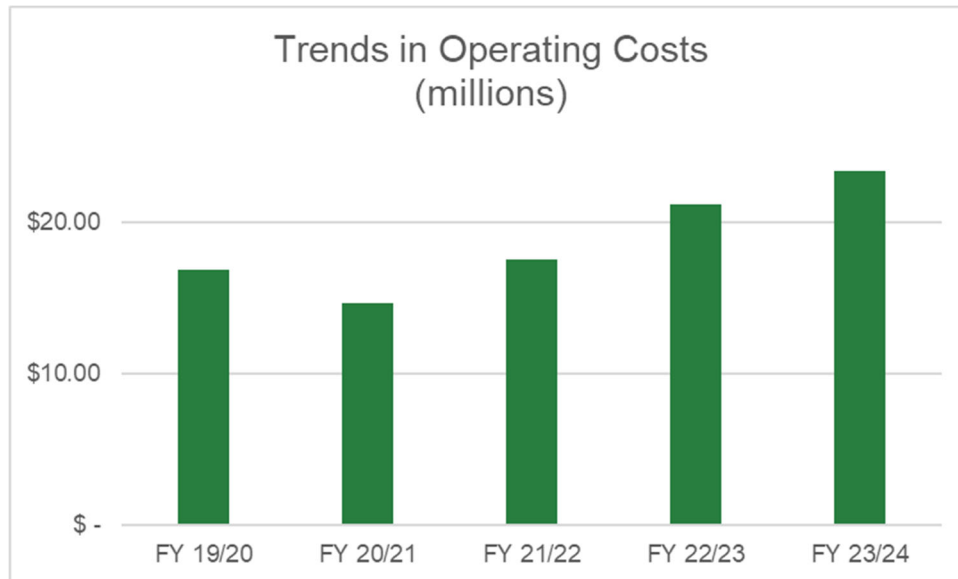
Below are highlights of the City's General Fund expenditures:

- **Personnel**

Personnel costs, inclusive of both salaries and fringe benefits, make up approximately 63% of the total General Fund budget. The FY 2024 proposed budget includes an average 4.0% wage increase for employees. Funding is also included for the implementation of a compensation true up study to compare current employee compensation based on market analysis and local government benchmarking, as well as analysis of the organizational pay bands. No health care increases are planned in this budget, as the City continues to see positive trends in organizational health care costs. However, costs continue to be monitored to ensure costs can be managed if a shift in costs arise.

- **Operations**

General Fund operating expenses include both discretionary and fixed costs. Both discretionary and fixed costs are allocated down to the departmental level and are used to fund the day-to-day operations of the City. Departments have more control and influence over the level in which discretionary dollars, such as supplies or travel/training expenses, are allocated and utilized to fund the operations of the department. To the contrary, departments have minimal discretion and influence over the utilization of the fixed costs, such as utilities, computer software, or liability insurance expenses. Total operating expense for the City is \$23.4 million for FY 2024. For FY 2024, Capital Improvements stand at \$2.2 million, consisting mainly of vehicle replacements for the current fiscal year.



**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 11<sup>th</sup> 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 2023 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 \$7.2 million 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 2024 will see the continued implementation of increased preventative maintenance of stormwater infrastructure, and further planning for increased capital project and infrastructure spending. The stormwater utility fees are projected to generate revenues of \$9,652,814.

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

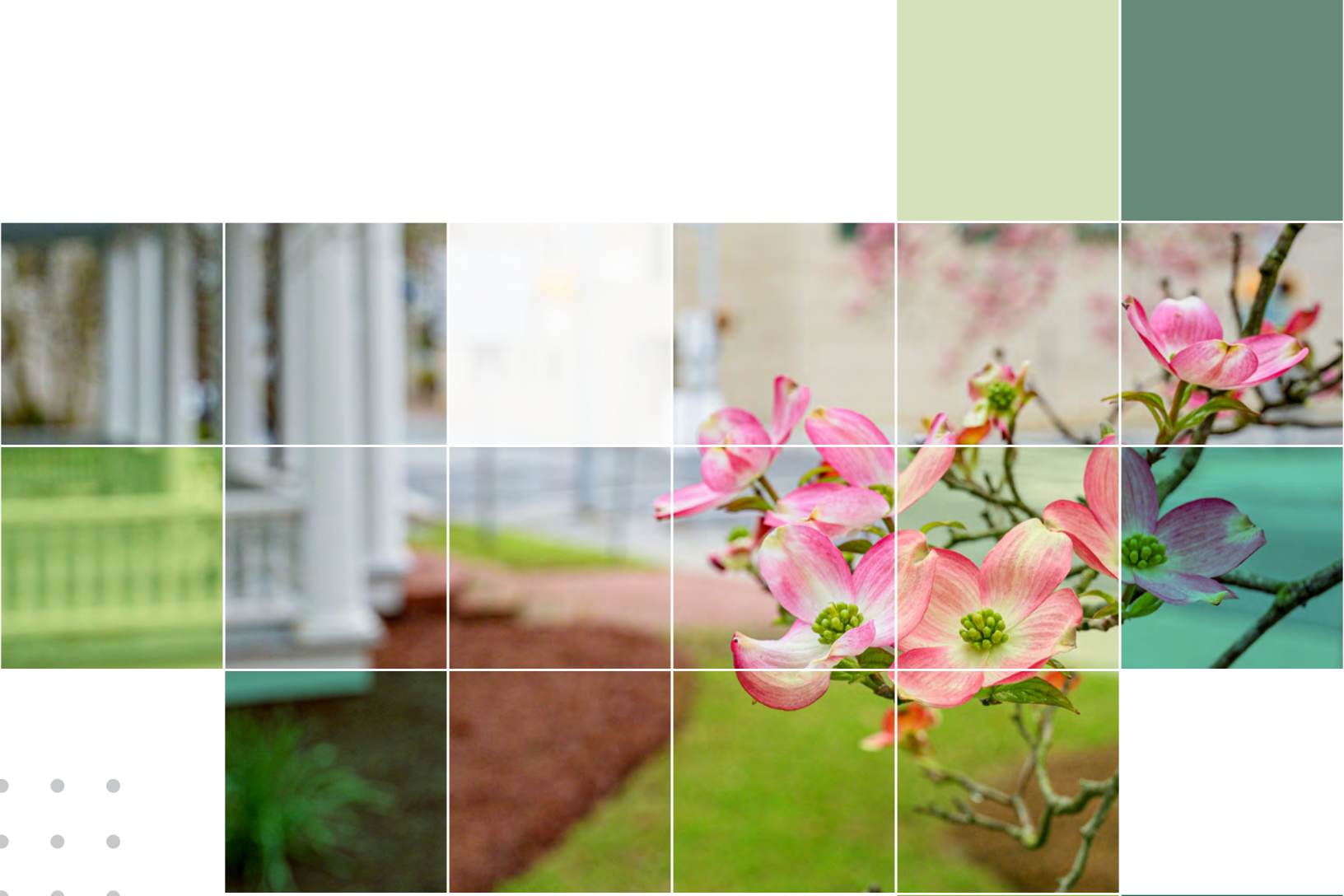


- **Public Transportation Fund**

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. For FY 2024, projected grant revenues are \$2.9 million. The City will transfer \$771 thousand dollars in General Fund funding to maintain transit operations. The total budgeted amount for the fund is \$5.6 million.

## **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 Jacob Joyner, the Director of Financial Services at [jjoyner@greenvillenc.gov](mailto:jjoyner@greenvillenc.gov).



# Basic Financial Statements

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Annual Comprehensive Financial Report  
(ACFR) – Fiscal Year Ending June 30, 2023

**CITY OF GREENVILLE, NORTH CAROLINA**  
**STATEMENT OF NET POSITION**

**Exhibit A**

JUNE 30, 2023

	<b>Governmental</b>	<b>Business-Type</b>	
	<b>Activities</b>	<b>Activities</b>	<b>Total</b>
<b>Assets:</b>			
Cash and investments	\$ 64,372,343	\$ 144,562,804	\$ 208,935,147
Taxes receivable, net	256,066	-	256,066
Accounts receivable, net	6,878,342	27,798,233	34,676,575
Interest receivable	44,965	-	44,965
Lease Receivable	2,837,834	3,074,420	5,912,254
Due from other governments	6,346,107	2,808,256	9,154,363
Inventories	5,896	16,976,582	16,982,478
Prepaid items	403,212	895,035	1,298,247
Internal balances	971,702	(971,702)	-
Restricted cash and investments	38,512,749	22,316,775	60,829,524
Notes receivable	-	87,118	87,118
Investment in joint venture	30,195,154	-	30,195,154
Capital assets:			
Non-depreciable	87,275,814	38,196,894	125,472,708
Right to use subscription asset, net of amortization	2,106,271	326,440	2,432,711
Right to use leased asset, net of amortization	82,930	543,672	626,602
Depreciable, net	<u>156,947,191</u>	<u>548,071,377</u>	<u>705,018,568</u>
<b>Total assets</b>	<u>397,236,576</u>	<u>804,685,904</u>	<u>1,201,922,480</u>
<b>Deferred Outflows of Resources:</b>			
Pension deferrals	21,665,607	17,839,363	39,504,970
OPEB deferrals	26,239,667	11,970,130	38,209,797
Deferred bond refunding charges	<u>155,262</u>	<u>976,265</u>	<u>1,131,527</u>
<b>Total deferred outflows of resources</b>	<u>48,060,536</u>	<u>30,785,758</u>	<u>78,846,294</u>
<b>Liabilities:</b>			
Accounts payable and accrued liabilities	8,586,660	20,605,580	29,192,240
Accrued interest payable	173,347	1,674,980	1,848,327
Due to other governments	-	2,649	2,649
Other liabilities	135,134	-	135,134
Advances from grantors	-	-	-
Prepaid business licenses	-	-	-
Unearned revenue	23,792,106	-	23,792,106
Liabilities payable from restricted assets:			
Accounts payable and accrued liabilities	-	-	-
Customer deposits	-	6,600,033	6,600,033
Long-term liabilities:			
Due within one year	7,896,457	12,842,663	20,739,120
Due in more than one year	<u>133,366,660</u>	<u>295,228,629</u>	<u>428,595,289</u>
<b>Total liabilities</b>	<u>173,950,364</u>	<u>336,954,534</u>	<u>510,904,898</u>
<b>Deferred Inflows of Resources:</b>			
Leases	2,812,149	2,995,629	5,807,778
Pension deferrals	2,420,980	415,439	2,836,419
OPEB deferrals	<u>34,234,203</u>	<u>18,949,308</u>	<u>53,183,511</u>
<b>Total deferred inflows of resources</b>	<u>39,467,332</u>	<u>22,360,376</u>	<u>61,827,708</u>
<b>Net Position:</b>			
Net investment in capital assets	205,856,663	361,560,881	567,417,544
Restricted for:			
Stabilization by State statute	19,709,225	-	19,709,225
Restricted for streets	121,390	-	121,390
General government	140,806	-	140,806
Economic development	3,649,256	-	3,649,256
Public safety	1,125,493	-	1,125,493
Cultural and recreational	4,085,700	-	4,085,700
Debt Service	1,341,923	-	1,341,923
Unrestricted	<u>(4,151,040)</u>	<u>114,595,871</u>	<u>110,444,831</u>
<b>Total net position</b>	<u>\$ 231,879,416</u>	<u>\$ 476,156,752</u>	<u>\$ 708,036,168</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, 2023

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
<b>Primary Government:</b>							
Governmental Activities:							
General government	\$ 29,578,944	\$ 4,851,674	\$ 466,876	\$ -	\$ (24,260,394)	\$ -	\$ (24,260,394)
Public safety	37,577,140	6,916,771	38,720	-	(30,621,649)	-	(30,621,649)
Transportation	12,783,579	331,619	-	2,642,080	(9,809,880)	-	(9,809,880)
Cultural and recreational	13,398,482	3,091,300	1,159,174	6,066,819	(3,081,189)	-	(3,081,189)
Economic and physical development	8,687,164	-	5,608,590	1,459,195	(1,619,379)	-	(1,619,379)
Interest and fees	827,928	-	-	-	(827,928)	-	(827,928)
Total governmental activities	<u>102,853,237</u>	<u>15,191,364</u>	<u>7,273,360</u>	<u>10,168,094</u>	<u>(70,220,419)</u>	<u>-</u>	<u>(70,220,419)</u>
Business-Type Activities:							
Electric	174,439,287	174,101,348	-	-	-	(337,939)	(337,939)
Water	26,919,982	26,459,370	-	2,467,315	-	2,006,703	2,006,703
Sewer	27,569,104	25,599,294	-	3,614,690	-	1,644,880	1,644,880
Gas	44,471,304	47,000,287	-	-	-	2,528,983	2,528,983
Public transportation	2,965,771	64,060	2,179,341	-	-	(722,370)	(722,370)
Stormwater utility	7,812,809	8,703,045	-	2,022,273	-	2,912,509	2,912,509
Sanitation	8,329,798	8,761,916	-	11,050	-	443,168	443,168
Total business-type activities	<u>292,508,055</u>	<u>290,689,320</u>	<u>2,179,341</u>	<u>8,115,328</u>	<u>-</u>	<u>8,475,934</u>	<u>8,475,934</u>
Total primary government	<u>\$ 395,361,292</u>	<u>\$ 305,880,684</u>	<u>\$ 9,452,701</u>	<u>\$ 18,283,422</u>	<u>(70,220,419)</u>	<u>8,475,934</u>	<u>(61,744,485)</u>
<b>General Revenues:</b>							
Ad valorem taxes					40,666,593	-	40,666,593
Sales and use taxes					23,147,136	-	23,147,136
Cable TV franchise tax					704,599	-	704,599
Medicaid hold harmless payment					6,448,630	-	6,448,630
Rental vehicle, gross receipts					254,647	-	254,647
Utilities franchise tax					6,920,722	-	6,920,722
Beer and wine tax					419,924	-	419,924
Other taxes and licenses					749,366	-	749,366
Investment earnings					<u>1,923,926</u>	<u>3,098,167</u>	<u>5,022,093</u>
Total general revenues					81,235,543	3,098,167	84,333,710
Transfers					<u>7,728,320</u>	<u>(7,728,320)</u>	<u>-</u>
Total general revenues and transfers					<u>88,963,863</u>	<u>(4,630,153)</u>	<u>84,333,710</u>
Change in net position					18,743,444	3,845,781	22,589,225
Net position, beginning of year					<u>213,135,972</u>	<u>472,310,971</u>	<u>685,446,943</u>
Net position, end of year					<u>\$ 231,879,416</u>	<u>\$ 476,156,752</u>	<u>\$ 708,036,168</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, 2023

	General	ARPA Special Revenue Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets:</b>				
Cash and cash equivalents	\$ 31,170,501	\$ -	\$ 18,629,028	\$ 49,799,529
Taxes receivable, net	256,066	-	-	256,066
Accounts receivable, net	1,690,573	-	4,778,615	6,469,188
Interest receivable	-	-	4,963	4,963
Lease receivable	2,837,834	-	-	2,837,834
Due from other funds	3,474,008	-	-	3,474,008
Due from other governments	6,287,592	-	58,515	6,346,107
Inventories	5,896	-	-	5,896
Prepaid items	38,750	-	150,330	189,080
Restricted cash and investments	1,266,300	23,729,679	13,516,770	38,512,749
<b>Total assets</b>	<b>\$ 47,027,520</b>	<b>\$ 23,729,679</b>	<b>\$ 37,138,221</b>	<b>\$ 107,895,420</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	4,750,380	136,287	\$ 1,222,737	\$ 6,109,404
Due to other funds	-	-	2,430,293	2,430,293
Unearned revenue	-	23,593,392	198,714	23,792,106
Other liabilities	135,133	-	-	135,133
<b>Total liabilities</b>	<b>4,885,513</b>	<b>23,729,679</b>	<b>3,851,744</b>	<b>32,466,936</b>
<b>Deferred Inflows of Resources:</b>				
Deferred property taxes	256,066	-	-	256,066
Leases	2,837,834	-	-	2,837,834
Other deferred revenues	2,352,428	-	287,084	2,639,512
<b>Total deferred inflows of resources</b>	<b>5,446,328</b>	<b>-</b>	<b>287,084</b>	<b>5,733,412</b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Prepaid items and inventories	53,317	-	150,330	203,647
<b>Restricted:</b>				
Stabilization by State statute	11,623,208	-	8,086,017	19,709,225
Restricted for general government	140,806	-	-	140,806
Restricted for streets	-	-	121,390	121,390
Restricted for public safety	1,125,493	-	3,061,741	4,187,234
Restricted for economic development	-	1,648,151	2,001,105	3,649,256
Restricted for cultural and recreational	-	-	4,085,700	4,085,700
Restricted for debt service	-	-	1,341,923	1,341,923
<b>Committed:</b>				
Committed for catastrophic losses	2,253,019	-	-	2,253,019
Committed for general government	-	-	1,080,933	1,080,933
Committed for culture and recreational	-	-	713,092	713,092
Committed for public safety	-	-	473,436	473,436
Committed for economic development	-	-	6,537,304	6,537,304
Committed for capital outlay	-	-	3,318,315	3,318,315
<b>Assigned:</b>				
Assigned for subsequent year's expenditures	500,000	-	1,302,147	1,802,147
Assigned for cultural and recreational	-	-	-	-
Unassigned	20,999,836	(1,648,151)	725,960	20,077,645
<b>Total fund balance</b>	<b>36,695,679</b>	<b>-</b>	<b>32,999,393</b>	<b>69,695,072</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 47,027,520</b>	<b>\$ 23,729,679</b>	<b>\$ 37,138,221</b>	<b>\$ 107,895,420</b>

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, 2023*

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

Ending fund balance - governmental funds	\$ 69,695,072
Capital assets used in governmental activities are not financial and, therefore, are not reported in the funds.	229,569,294
Investment in joint venture reported in governmental activities is not reported in the funds.	30,195,154
Net LGERS pension liability is not reported in the funds.	(29,686,953)
Deferred outflows of resources related to pensions are not reported in the funds	21,120,094
Deferred outflows of resources related to OPEB are not reported in the funds	25,497,117
Other long-term assets are not available to pay for current expenditures and, therefore, are deferred outflows of resources.	2,895,578
Lease and subscription liabilities are not reported in the funds	(2,119,433)
Accrued interest related to leases is not recorded in the funds	65,686
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.	27,482,131
Long-term liabilities and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(47,451,999)
Total LEOSSA Pension Liabilities	(9,716,266)
Net OPEB Liability	(49,984,206)
Deferred inflows of resources related to pensions are not reported in the funds.	(2,398,350)
Deferred inflows of resources related to OPEB are not reported in the funds.	(33,265,418)
Deferred charges on refunding reported in governmental activities are not reported in the funds.	155,262
Other long-term liabilities (accrued interest) are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(173,347)</u>
Net position of governmental activities	<u>\$ 231,879,416</u>

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

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

**Exhibit D**

YEAR ENDED JUNE 30, 2023

	General	ARPA Special Revenue Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Ad valorem taxes	\$ 40,644,881	\$ -	\$ -	\$ 40,644,881
Other taxes	30,555,012	-	680,470	31,235,482
Unrestricted intergovernmental	7,409,542	-	-	7,409,542
Restricted intergovernmental	3,388,891	813,419	5,579,780	9,782,090
Licenses, permits, and fees	4,564,110	-	-	4,564,110
Sales and services	6,627,068	-	-	6,627,068
Investment earnings	3,330,835	-	1,775,734	5,106,569
Other revenues	1,367,648	-	3,435,079	4,802,727
Total revenues	<u>97,887,987</u>	<u>813,419</u>	<u>11,471,063</u>	<u>110,172,469</u>
<b>Expenditures:</b>				
Current:				
General government	13,774,661	-	20,870	13,795,531
Public safety	46,297,257	-	3,632,611	49,929,868
Public works	11,615,610	-	4,108,003	15,723,613
Cultural and recreational	8,248,774	-	8,724,972	16,973,746
Economic and physical development	3,339,304	813,419	5,318,952	9,471,675
Debt Service:				
Principal retirement	-	-	4,874,120	4,874,120
Interest and fees	-	-	1,411,148	1,411,148
Total expenditures	<u>83,275,606</u>	<u>813,419</u>	<u>28,090,676</u>	<u>112,179,701</u>
Revenues over (under) expenditures	<u>14,612,381</u>	<u>-</u>	<u>(16,619,613)</u>	<u>(2,007,232)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers from other funds	7,091,429	-	11,377,370	18,468,799
Transfers to other funds	(15,014,004)	-	2,326,443	(12,687,561)
Issuance of debt	-	-	2,500,000	2,500,000
Total other financing sources (uses)	<u>(7,922,575)</u>	<u>-</u>	<u>16,203,813</u>	<u>8,281,238</u>
Net change in fund balance	6,689,806	-	(415,800)	6,274,006
<b>Fund Balance:</b>				
Fund balance, beginning of year – July 1	<u>30,005,873</u>	<u>-</u>	<u>33,415,193</u>	<u>63,421,066</u>
Fund balance, end of year – June 30	<u>\$ 36,695,679</u>	<u>\$ -</u>	<u>\$ 32,999,393</u>	<u>\$ 69,695,072</u>

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

**CITY OF GREENVILLE, NORTH CAROLINA**

**Exhibit E**

**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, 2023

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	\$ 6,274,006
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.	16,854,905
Other capital contributions are not reported in the governmental fund statement.	6,066,819
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(6,768,240)
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.	(188,456)
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	26,051
Pension expense	(5,935,398)
OPEB plan expense	(855,660)
Contributions to the pension plan in the current fiscal year are not included in the Statement of Activities.	3,057,743
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.	(330,721)
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.	(2,500,000)
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.	703,281
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.	4,874,120
Loss on disposal of capital assets is reported in the Statement of Activities but not the funds statement.	(369,854)
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.	(3,182,643)
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>1,137,552</u>
Changes in net position of governmental activities	<u>\$ 18,743,444</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, 2023

	General Fund			
	Budget		Actual Amounts	Variance Positive/ Negative
	Original	Final		
<b>Revenues:</b>				
Ad valorem taxes	\$ 39,776,459	\$ 39,776,459	\$ 40,644,881	\$ 868,422
Other taxes	27,905,188	28,698,891	30,555,012	1,856,121
Unrestricted intergovernmental	7,285,521	7,285,521	7,409,542	124,021
Restricted intergovernmental	2,589,525	3,026,723	3,388,891	362,168
Licenses, permits, and fees	3,655,774	3,655,774	4,564,110	908,336
Sales and services	4,956,822	5,220,526	6,627,068	1,406,542
Investment earnings	742,690	791,448	3,330,835	2,539,387
Other revenues	1,064,285	1,278,074	1,367,648	89,574
Total revenues	<u>87,976,264</u>	<u>89,733,416</u>	<u>97,887,987</u>	<u>8,154,571</u>
<b>Expenditures:</b>				
Current:				
General government	14,205,203	14,081,772	13,774,661	307,111
Public safety	45,116,927	47,363,309	46,297,257	1,066,052
Public works	10,721,672	12,412,010	11,615,610	796,400
Cultural and recreational	7,936,842	8,551,896	8,248,774	303,122
Economic and physical development	3,393,321	3,542,489	3,339,304	203,185
Total expenditures	<u>81,373,965</u>	<u>85,951,476</u>	<u>83,275,606</u>	<u>2,675,870</u>
Revenues over (under) expenditures	<u>6,602,299</u>	<u>3,781,940</u>	<u>14,612,381</u>	<u>10,830,441</u>
<b>Other Financing Sources (Uses):</b>				
Transfers from other funds	7,039,308	7,039,308	7,091,429	52,121
Transfers to other funds	(13,691,607)	(15,698,962)	(15,014,004)	684,958
Contingency	(100,000)	(12,766)	-	12,766
Appropriated fund balance	150,000	4,890,480	-	(4,890,480)
Total other financing sources (uses)	<u>(6,602,299)</u>	<u>(3,781,940)</u>	<u>(7,922,575)</u>	<u>(4,140,635)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	6,689,806	<u>\$ 6,689,806</u>
<b>Fund Balance:</b>				
Fund balance, beginning of year – July 1			<u>30,005,873</u>	
Fund balance, end of year – June 30			<u>\$ 36,695,679</u>	

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

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

**Exhibit G**

JUNE 30, 2023

	Major Enterprise Funds				
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Stormwater Fund
<b>Assets:</b>					
<b>Current Assets:</b>					
Cash and cash equivalents	\$ 13,814,459	\$ 4,237,882	\$ 4,665,891	\$ 6,049,296	\$ 13,345,022
Investments	25,408,717	7,677,190	6,818,370	9,550,722	
Accounts receivable, net	16,782,072	2,577,275	2,665,469	2,387,984	1,445,053
Lease receivable	152,846	132,407	56,458	61,562	-
Due from other governments	1,529,178	458,750	536,843	283,485	-
Due from other funds	-	-	-	-	-
Inventories	13,457,518	1,661,632	258,848	1,598,584	-
Restricted cash	4,816,470	1,121,646	2,129	659,788	-
Prepaid items	670,349	72,949	47,833	91,554	-
<b>Total current assets</b>	<b>76,631,609</b>	<b>17,939,731</b>	<b>15,051,841</b>	<b>20,682,975</b>	<b>14,790,075</b>
<b>Noncurrent Assets:</b>					
Cash and cash equivalents, restricted	10,820,468	2,086,512	2,725,163	84,599	-
Investments	24,170,628	7,183,149	6,449,537	9,001,018	-
Notes receivable	-	87,118	-	-	-
Lease receivable, non-current	1,074,493	654,455	313,716	627,603	-
Land improvements and construction in progress	14,496,231	2,858,118	14,954,579	4,026,055	1,861,911
Right to use leased asset, net of amortization	69,428	119,207	45,100	32,973	-
Right to use subscription asset, net of amortization	429,739	29,074	29,074	55,785	-
Other capital assets, net	149,419,038	145,395,054	157,961,357	51,188,350	42,941,625
<b>Total noncurrent assets</b>	<b>200,480,025</b>	<b>158,412,687</b>	<b>182,478,526</b>	<b>65,016,383</b>	<b>44,803,536</b>
<b>Total assets</b>	<b>277,111,634</b>	<b>176,352,418</b>	<b>197,530,367</b>	<b>85,699,358</b>	<b>59,593,611</b>
<b>Deferred Outflows of Resources:</b>					
Pension deferrals	6,445,377	3,458,496	3,301,292	2,515,272	773,886
OPEB deferrals	3,726,981	1,999,845	1,908,944	1,454,432	1,051,217
Deferred bond refunding charges	186,956	369,585	341,690	24,411	53,623
<b>Total deferred outflows of resources</b>	<b>10,359,314</b>	<b>5,827,926</b>	<b>5,551,926</b>	<b>3,994,115</b>	<b>1,878,726</b>
<b>Liabilities:</b>					
<b>Current Liabilities:</b>					
Accounts payable and accrued expenses	14,804,468	1,251,611	2,069,667	2,209,203	14,126
Accrued interest payable	795,521	270,382	394,114	214,963	-
Due to other governments	1,484	450	371	344	-
Due to other funds	111,276	54,808	49,210	38,159	-
Current portion of compensated absences	936,312	481,900	462,868	423,999	-
Current portion of long-term leases	34,788	66,932	21,598	15,085	-
Current portion of long-term subscriptions	149,836	11,071	11,071	20,322	-
Current maturities of long-term debt	1,765,943	3,158,633	2,704,278	488,866	1,838,597
<b>Liabilities Payable from Restricted Assets:</b>					
Customer deposits	4,816,470	1,121,646	2,129	659,788	-
<b>Total current liabilities</b>	<b>23,416,098</b>	<b>6,417,433</b>	<b>5,715,306</b>	<b>4,070,729</b>	<b>1,852,723</b>
<b>Noncurrent Liabilities:</b>					
Compensated absences payable	350,602	160,448	178,275	184,890	-
Noncurrent portion of long-term leases	24,237	68,221	19,434	14,105	-
Noncurrent portion of long-term subscriptions	283,715	17,732	17,732	35,464	-
Net pension liability	9,718,237	5,214,665	4,977,635	3,792,486	1,203,825
Net OPEB liability	13,905,583	7,461,534	7,122,375	5,426,570	2,060,792
Noncurrent portion of long-term debt	75,356,166	63,112,891	45,698,085	17,770,656	25,300,523
<b>Total noncurrent liabilities</b>	<b>99,638,540</b>	<b>76,035,491</b>	<b>58,013,536</b>	<b>27,224,171</b>	<b>28,565,140</b>
<b>Total liabilities</b>	<b>123,054,638</b>	<b>82,452,924</b>	<b>63,728,842</b>	<b>31,294,900</b>	<b>30,417,863</b>
<b>Deferred Inflows of Resources:</b>					
Leases	1,206,250	760,358	357,757	671,264	-
Pension deferrals	134,291	72,058	68,783	52,406	32,104
OPEB deferrals	6,228,697	3,342,227	3,190,306	2,430,712	1,371,496
<b>Total deferred inflows of resources</b>	<b>7,569,238</b>	<b>4,174,643</b>	<b>3,616,846</b>	<b>3,154,382</b>	<b>1,403,600</b>
<b>Net Position:</b>					
Net investment in capital assets	97,807,175	82,487,675	125,365,727	37,067,675	17,664,416
Unrestricted	59,039,897	13,065,102	10,370,878	18,176,516	11,986,458
<b>Total net position</b>	<b>\$ 156,847,072</b>	<b>\$ 95,552,777</b>	<b>\$ 135,736,605</b>	<b>\$ 55,244,191</b>	<b>\$ 29,650,874</b>

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

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

**Exhibit G**

JUNE 30, 2023

	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<b>Assets:</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$ 6,190,923	\$ 48,303,473	\$ 14,572,814
Investments	-	49,454,999	-
Accounts receivable, net	1,940,380	27,798,233	409,154
Lease receivable	880	404,153	-
Due from other governments	-	2,808,256	-
Due from other funds	-	-	42,743
Inventories	-	16,976,582	-
Restricted cash	-	6,600,033	-
Prepaid items	12,350	895,035	214,132
<b>Total current assets</b>	<b>8,144,533</b>	<b>153,240,764</b>	<b>15,238,843</b>
<b>Noncurrent Assets:</b>			
Cash and cash equivalents, restricted	-	15,716,742	-
Investments	-	46,804,332	-
Notes receivable	-	87,118	-
Lease receivable, non-current	-	2,670,267	-
Land improvements and construction in progress	-	38,196,894	210,885
Right to use leased asset, net of amortization	59,732	326,440	-
Right to use subscription asset, net of amortization	-	543,672	-
Other capital assets, net	1,165,953	548,071,377	16,632,024
<b>Total noncurrent assets</b>	<b>1,225,685</b>	<b>652,416,842</b>	<b>16,842,909</b>
<b>Total assets</b>	<b>9,370,218</b>	<b>805,657,606</b>	<b>32,081,752</b>
<b>Deferred Outflows of Resources:</b>			
Pension deferrals	1,345,040	17,839,363	545,513
OPEB deferrals	1,828,711	11,970,130	742,550
Deferred bond refunding charges	-	976,265	-
<b>Total deferred outflows of resources</b>	<b>3,173,751</b>	<b>30,785,758</b>	<b>1,288,063</b>
<b>Liabilities:</b>			
<b>Current Liabilities:</b>			
Accounts payable and accrued expenses	256,505	20,605,580	2,477,253
Accrued interest payable	-	1,674,980	-
Due to other governments	-	2,649	-
Due to other funds	718,249	971,702	114,756
Current portion of compensated absences	193,094	2,498,173	-
Current portion of long-term leases	-	138,403	-
Current portion of long-term subscriptions	-	192,300	-
Current maturities of long-term debt	57,470	10,013,787	-
<b>Liabilities Payable from Restricted Assets:</b>			
Customer deposits	-	6,600,033	-
<b>Total current liabilities</b>	<b>1,225,318</b>	<b>42,697,607</b>	<b>2,592,009</b>
<b>Noncurrent Liabilities:</b>			
Compensated absences payable	74,481	948,696	-
Noncurrent portion of long-term leases	-	125,997	-
Noncurrent portion of long-term subscriptions	-	354,643	-
Net pension liability	2,092,292	26,999,140	1,455,684
Net OPEB liability	3,584,978	39,561,832	848,576
Noncurrent portion of long-term debt	-	227,238,321	-
<b>Total noncurrent liabilities</b>	<b>5,751,751</b>	<b>295,228,629</b>	<b>2,304,260</b>
<b>Total liabilities</b>	<b>6,977,069</b>	<b>337,926,236</b>	<b>4,896,269</b>
<b>Deferred Inflows of Resources:</b>			
Leases	-	2,995,629	-
Pension deferrals	55,797	415,439	22,630
OPEB deferrals	2,385,870	18,949,308	968,785
<b>Total deferred inflows of resources</b>	<b>2,441,667</b>	<b>22,360,376</b>	<b>991,415</b>
<b>Net Position:</b>			
Net investment in capital assets	1,168,213	361,560,881	16,842,909
Unrestricted	1,957,020	114,595,871	10,639,222
<b>Total net position</b>	<b>\$ 3,125,233</b>	<b>\$ 476,156,752</b>	<b>\$ 27,482,131</b>

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, 2023

	Major Enterprise Funds				
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Stormwater Fund
<b>Operating Revenues:</b>					
Charges for services	\$ 171,214,255	\$ 25,132,520	\$ 24,801,665	\$ 46,581,876	\$ 8,695,784
Other operating revenues	513,880	66,635	70,283	41,725	7,261
Total operating revenues	<u>171,728,135</u>	<u>25,199,155</u>	<u>24,871,948</u>	<u>46,623,601</u>	<u>8,703,045</u>
<b>Operating Expenses:</b>					
Administrative and general	14,089,941	5,207,433	5,116,654	4,882,242	183,447
Operations and maintenance	21,077,612	14,326,347	13,159,530	8,056,077	6,356,368
Purchased power and gas	123,403,756	-	-	27,999,251	-
Depreciation and amortization	13,227,844	6,520,256	7,890,476	2,919,514	1,012,253
Claims and payments to third-party administrators	-	-	-	-	-
Total operating expenses	<u>171,799,153</u>	<u>26,054,036</u>	<u>26,166,660</u>	<u>43,857,084</u>	<u>7,552,068</u>
Operating income (loss)	<u>(71,018)</u>	<u>(854,881)</u>	<u>(1,294,712)</u>	<u>2,766,517</u>	<u>1,150,977</u>
<b>Nonoperating Revenues (Expenses):</b>					
Investment earnings	1,731,008	459,462	446,354	461,343	-
Federal grants	-	-	-	-	-
Other nonoperating revenues	2,373,213	1,260,215	727,346	376,686	-
Interest expense	(2,640,134)	(865,946)	(1,402,444)	(614,220)	(260,741)
Loss on disposal of capital assets	-	-	-	-	-
Total nonoperating revenues (expenses)	<u>1,464,087</u>	<u>853,731</u>	<u>(228,744)</u>	<u>223,809</u>	<u>(260,741)</u>
Income (loss) before transfers and contributions	<u>1,393,069</u>	<u>(1,150)</u>	<u>(1,523,456)</u>	<u>2,990,326</u>	<u>890,236</u>
<b>Transfers In (Out) and Capital Contributions:</b>					
Capital contributions	-	2,467,315	3,614,690	-	2,022,273
Transfers from other funds	-	-	-	-	-
Transfers to other funds	(5,388,913)	-	-	(1,702,516)	(1,158,775)
Total transfers in (out) and capital contributions:	<u>(5,388,913)</u>	<u>2,467,315</u>	<u>3,614,690</u>	<u>(1,702,516)</u>	<u>863,498</u>
Change in net position	(3,995,844)	2,466,165	2,091,234	1,287,810	1,753,734
<b>Net Position:</b>					
Beginning of year – July 1	<u>160,842,916</u>	<u>93,086,612</u>	<u>133,645,371</u>	<u>53,956,381</u>	<u>27,897,140</u>
End of year – June 30	<u>\$ 156,847,072</u>	<u>\$ 95,552,777</u>	<u>\$ 135,736,605</u>	<u>\$ 55,244,191</u>	<u>\$ 29,650,874</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, 2023

	<b>Nonmajor Enterprise Funds</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>
<b>Operating Revenues:</b>			
Charges for services	\$ 8,666,059	\$ 285,092,159	\$ 21,078,100
Other operating revenues	<u>159,917</u>	<u>859,701</u>	<u>487,832</u>
Total operating revenues	<u>8,825,976</u>	<u>285,951,860</u>	<u>21,565,932</u>
<b>Operating Expenses:</b>			
Administrative and general	120,069	29,599,786	491,829
Operations and maintenance	10,826,634	73,802,568	7,342,612
Purchased power and gas	-	151,403,007	-
Depreciation and amortization	348,866	31,919,209	3,079,795
Claims and payments to third-party administrators	<u>-</u>	<u>-</u>	<u>11,460,059</u>
Total operating expenses	<u>11,295,569</u>	<u>286,724,570</u>	<u>22,374,295</u>
Operating income (loss)	<u>(2,469,593)</u>	<u>(772,710)</u>	<u>(808,363)</u>
<b>Nonoperating Revenues (Expenses):</b>			
Investment earnings	-	3,098,167	-
Federal grants	2,179,341	2,179,341	-
Other nonoperating revenues	-	4,737,460	-
Interest expense	-	(5,783,485)	-
Loss on disposal of capital assets	<u>-</u>	<u>-</u>	<u>(1,167)</u>
Total nonoperating revenues (expenses)	<u>2,179,341</u>	<u>4,231,483</u>	<u>(1,167)</u>
Income (loss) before transfers and contributions	<u>(290,252)</u>	<u>3,458,773</u>	<u>(809,530)</u>
<b>Transfers In (Out) and Capital Contributions:</b>			
Capital contributions	11,050	8,115,328	-
Transfers from other funds	771,894	771,894	2,009,742
Transfers to other funds	<u>(250,010)</u>	<u>(8,500,214)</u>	<u>(62,660)</u>
Total transfers in (out) and capital contributions:	<u>532,934</u>	<u>387,008</u>	<u>1,947,082</u>
Change in net position	242,682	3,845,781	1,137,552
<b>Net Position:</b>			
Beginning of year – July 1	<u>2,882,551</u>	<u>472,310,971</u>	<u>26,344,579</u>
End of year – June 30	<u>\$ 3,125,233</u>	<u>\$ 476,156,752</u>	<u>\$ 27,482,131</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, 2023

	Major Enterprise Funds				
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Stormwater Fund
<b>Cash Flows from Operating Activities:</b>					
Cash received from customers	\$ 173,628,152	\$ 24,959,776	\$ 24,398,355	\$ 47,001,903	\$ 8,552,824
Other operating receipts	1,845,907	954,446	70,325	341,974	-
Cash paid to vendors	(148,773,399)	(12,345,770)	(10,944,614)	(35,864,647)	(4,135,358)
Cash paid to employees	(13,756,635)	(7,224,515)	(7,023,924)	(6,034,055)	(1,967,048)
Payments received on loans	-	48,734	-	-	-
Net cash provided (used) by operating activities	<u>12,944,025</u>	<u>6,392,671</u>	<u>6,500,142</u>	<u>5,445,175</u>	<u>2,450,418</u>
<b>Cash Flows from Noncapital Financing Activities:</b>					
Repayment of principal of long-term debt	-	-	-	-	-
Interest and other financing costs	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Transfers to other funds	(5,388,913)	-	-	(1,702,516)	(1,158,775)
Noncapital contributions	5,000	-	-	-	-
Repayments (to)/from other funds	-	-	-	-	-
Federal and State grants	-	-	-	-	-
Net cash provided (used) by noncapital financing activities	<u>(5,383,913)</u>	<u>-</u>	<u>-</u>	<u>(1,702,516)</u>	<u>(1,158,775)</u>
<b>Capital and Related Financing Activities:</b>					
Acquisition and construction of capital assets	(20,397,729)	(10,240,075)	(9,525,694)	(3,773,517)	-
Loss on disposal of capital assets	-	-	-	-	-
Capital grants/cash capital contributions	-	-	386,630	-	-
Lease liabilities issued	24,440	18,059	11,637	11,152	-
subscription liabilities issued	587,641	40,099	40,099	76,602	-
Capital related receipts from customers	-	421,711	494,827	-	-
Proceeds from issuance of long-term debt	19,584,105	5,691,405	4,710,178	-	-
Debt issuance costs	(285,233)	(45,822)	(68,511)	-	-
Principal payments on leases	(32,924)	(64,019)	(20,187)	(13,900)	-
Principal payments on subscriptions	(154,090)	(11,296)	(11,296)	(20,816)	-
Repayment of principal of long-term debt	(1,654,211)	(1,154,273)	(2,677,155)	(458,634)	(1,846,291)
Interest and other lease related expenses	(2,021)	(5,485)	(1,416)	(958)	-
Interest and other subscription related expenses	(7,625)	(569)	(569)	(1,040)	-
Interest and other debt related expenses	(2,641,837)	(968,698)	(1,822,641)	(706,343)	(260,741)
Net cash provided (used) by capital and related financing activities	<u>(4,979,484)</u>	<u>(6,318,963)</u>	<u>(8,484,098)</u>	<u>(4,887,454)</u>	<u>(2,107,032)</u>
<b>Cash Flow from Investing Activities:</b>					
Purchase of investments	(47,460,788)	(14,225,347)	(12,700,961)	(17,759,012)	-
Proceeds from sale and maturity of investments	58,115,562	15,526,231	15,735,200	20,040,443	-
Interest received on investments	2,058,610	556,491	534,136	582,879	-
Net cash provided (used) by investing activities	<u>12,713,384</u>	<u>1,857,375</u>	<u>3,568,375</u>	<u>2,864,310</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	15,294,012	1,931,083	1,584,419	1,719,515	(815,389)
<b>Cash and Cash Equivalents:</b>					
Beginning of year – July 1	<u>14,157,385</u>	<u>5,514,957</u>	<u>5,808,764</u>	<u>5,074,168</u>	<u>14,160,411</u>
End of year – June 30	<u>\$ 29,451,397</u>	<u>\$ 7,446,040</u>	<u>\$ 7,393,183</u>	<u>\$ 6,793,683</u>	<u>\$ 13,345,022</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, 2023

	Major Enterprise Funds				
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Stormwater Fund
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:</b>					
Operating income (loss)	(71,018)	(854,881)	(1,294,712)	2,766,517	\$ 1,150,977
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation and amortization	13,227,844	6,520,256	7,890,476	2,919,514	1,012,253
Miscellaneous income	2,367,424	839,029	232,728	376,926	-
Change in assets, liabilities, deferred outflows and deferred inflows:					
(Increase) decrease in accounts receivable	1,368,039	(50,939)	(155,006)	312,629	(150,221)
(Increase) decrease in lease receivable	(82,740)	145,562	68,923	70,288	-
(Increase) decrease in notes receivable	-	48,734	-	-	-
(Increase) decrease in due from other governments	(375,744)	5,945	(186,435)	(103,452)	-
Change in due to/from other funds	18,494	14,202	35,101	32,390	-
(Increase) decrease in inventories	(4,466,947)	(132,685)	14,967	(464,112)	-
(Increase) decrease in prepaids	(154,610)	(12,126)	25,333	(8,685)	-
Increase (decrease) in net pension liability	7,111,905	3,816,146	3,642,685	2,775,379	912,183
(Increase) decrease in deferred inflow of resources for leases	72,447	(151,972)	(74,127)	(79,006)	-
(Increase) decrease in deferred inflow of resources for pensions	(3,737,742)	(2,005,618)	(1,914,454)	(1,458,631)	(424,607)
(Increase) decrease in deferred inflow of resources for OPEB	(1,656,413)	(888,806)	(848,407)	(646,405)	117,324
Increase (decrease) in deferred outflow of resources for pensions	(2,404,163)	(1,290,040)	(1,231,402)	(938,212)	(333,629)
Increase (decrease) in deferred outflow of resources for OPEB	1,116,679	599,193	571,957	435,777	111,544
Increase (decrease) in accounts payable	(14,290)	(46,290)	17,976	(686,503)	3,733
Increase (decrease) in customer deposits	468,128	(205,405)	(353,188)	64,125	-
Increase (decrease) in compensated absences payable	108,465	35,067	43,084	57,800	-
Increase (decrease) in unearned revenue	-	(18,600)	(10,080)	-	-
Increase (decrease) in net OPEB liability	48,267	25,899	24,723	18,836	50,862
Net cash provided (used) by operating activities	<u>\$ 12,944,025</u>	<u>\$ 6,392,671</u>	<u>\$ 6,500,142</u>	<u>\$ 5,445,175</u>	<u>\$ 2,450,419</u>
<b>Noncash Investing, Capital, and Financing Activities:</b>					
Capital contribution	\$ -	\$ -	\$ -	\$ -	\$ -
Recognition of loss on refunding	-	-	-	-	23,542
Total noncash investing, capital, and financing activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,542</u>
<b>Reconciliation of Cash and Cash Equivalents:</b>					
Cash and investments, unrestricted	\$ 13,814,459	\$ 4,237,882	\$ 4,665,891	\$ 6,049,296	\$ 13,345,022
Cash and investments, restricted	15,636,938	3,208,158	2,727,292	744,387	-
Total cash and cash equivalents	<u>\$ 29,451,397</u>	<u>\$ 7,446,040</u>	<u>\$ 7,393,183</u>	<u>\$ 6,793,683</u>	<u>\$ 13,345,022</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, 2023

	<b>Nonmajor Enterprise Funds</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>
<b>Cash Flows from Operating Activities:</b>			
Cash received from customers	\$ 8,838,076	\$ 287,379,086	\$ 21,226,538
Other operating receipts	-	3,212,652	-
Cash paid to vendors	(6,618,778)	(218,682,566)	(17,585,508)
Cash paid to employees	(3,545,561)	(39,551,738)	(1,577,566)
Payments received on loans	-	48,734	-
Net cash provided (used) by operating activities	<u>(1,326,263)</u>	<u>32,406,168</u>	<u>2,063,464</u>
<b>Cash Flows from Noncapital Financing Activities:</b>			
Repayment of principal of long-term debt	(104,866)	(104,866)	-
Interest and other financing costs	(2)	(2)	-
Transfers from other funds	771,894	771,894	2,009,742
Transfers to other funds	(250,010)	(8,500,214)	-
Noncapital contributions	-	5,000	-
Repayments (to)/from other funds	639,464	639,464	(856,327)
Federal and State grants	1,144,734	1,144,734	-
Net cash provided (used) by noncapital financing activities	<u>2,201,214</u>	<u>(6,043,990)</u>	<u>1,153,415</u>
<b>Capital and Related Financing Activities:</b>			
Acquisition and construction of capital assets	-	(43,937,015)	(5,642,670)
Loss on disposal of capital assets	-	-	(1,167)
Capital grants/cash capital contributions	11,050	397,680	-
Lease liabilities issued	-	65,288	-
subscription liabilities issued	-	744,441	-
Capital related receipts from customers	-	916,538	-
Proceeds from issuance of long-term debt	-	29,985,688	-
Debt issuance costs	-	(399,566)	-
Principal payments on leases	-	(131,030)	-
Principal payments on subscriptions	-	(197,498)	-
Repayment of principal of long-term debt	-	(7,790,564)	-
Interest and other lease related expenses	-	(9,880)	-
Interest and other subscription related expenses	-	(9,803)	-
Interest and other debt related expenses	-	(6,400,260)	-
Net cash provided (used) by capital and related financing activities	<u>11,050</u>	<u>(26,765,981)</u>	<u>(5,643,837)</u>
<b>Cash Flow from Investing Activities:</b>			
Purchase of investments	-	(92,146,108)	-
Proceeds from sale and maturity of investments	-	109,417,436	-
Interest received on investments	-	3,732,116	-
Net cash provided (used) by investing activities	<u>-</u>	<u>21,003,444</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	886,001	20,599,641	(2,426,958)
<b>Cash and Cash Equivalents:</b>			
Beginning of year – July 1	<u>5,304,922</u>	<u>50,020,607</u>	<u>16,999,772</u>
End of year – June 30	<u>\$ 6,190,923</u>	<u>\$ 70,620,248</u>	<u>\$ 14,572,814</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, 2023

	<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
<b>Reconciliation of Operating Income (Loss) to</b>			
<b>Net Cash Provided by Operating Activities:</b>			
Operating income (loss)	\$ (2,469,593)	\$ (772,710)	\$ (808,363)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and amortization	348,866	31,919,209	3,079,795
Miscellaneous income	-	3,816,107	-
Change in assets, liabilities, deferred outflows and deferred inflows:			
(Increase) decrease in accounts receivable	12,100	1,336,602	(339,394)
(Increase) decrease in lease receivable	-	202,033	-
(Increase) decrease in notes receivable	-	48,734	-
(Increase) decrease in due from other governments	-	(659,686)	-
Change in due to/from other funds	-	100,187	-
(Increase) decrease in inventories	-	(5,048,777)	-
(Increase) decrease in prepaids	-	(150,088)	-
Increase (decrease) in net pension liability	1,581,019	19,839,317	628,386
(Increase) decrease in deferred inflow of resources for leases	-	(232,658)	-
(Increase) decrease in deferred inflow of resources for pensions	(744,856)	(10,285,908)	(322,188)
(Increase) decrease in deferred inflow of resources for OPEB	192,029	(3,730,678)	21,444
Increase (decrease) in deferred outflow of resources for pensions	(573,234)	(6,770,680)	(213,118)
Increase (decrease) in deferred outflow of resources for OPEB	205,231	3,040,381	135,743
Increase (decrease) in accounts payable	31,688	(693,686)	(56,321)
Increase (decrease) in customer deposits	-	(26,340)	-
Increase (decrease) in compensated absences payable	21,348	265,764	-
Increase (decrease) in unearned revenue	-	(28,680)	-
Increase (decrease) in net OPEB liability	69,139	237,726	(62,520)
Net cash provided (used) by operating activities	<u>\$ (1,326,263)</u>	<u>\$ 32,406,169</u>	<u>\$ 2,063,464</u>
<b>Noncash Investing, Capital, and Financing Activities:</b>			
Capital contribution	\$ -	\$ -	\$ -
Recognition of loss on refunding	-	23,542	-
Total noncash investing, capital, and financing activities	<u>\$ -</u>	<u>\$ 23,542</u>	<u>\$ -</u>
<b>Reconciliation of Cash and Cash Equivalents:</b>			
Cash and investments, unrestricted	\$ 6,190,923	\$ 48,303,473	\$ 14,572,814
Cash and investments, restricted	-	22,316,775	-
Total cash and cash equivalents	<u>\$ 6,190,923</u>	<u>\$ 70,620,248</u>	<u>\$ 14,572,814</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, 2023*

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	<b>Pension Trust Funds</b>
<b>Assets:</b>	
Restricted assets:	
Cash and cash equivalents	5,448,722
Investments:	
BlackRock MSCI ACWI EQ Index Non-lendable Fund	11,298,092
NC Non Pension Fixed Income	<u>781,307</u>
Total assets	<u><u>17,528,121</u></u>
<b>Net Position:</b>	
Net position restricted for postemployment benefits other than pensions	<u>\$ 17,528,121</u>

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



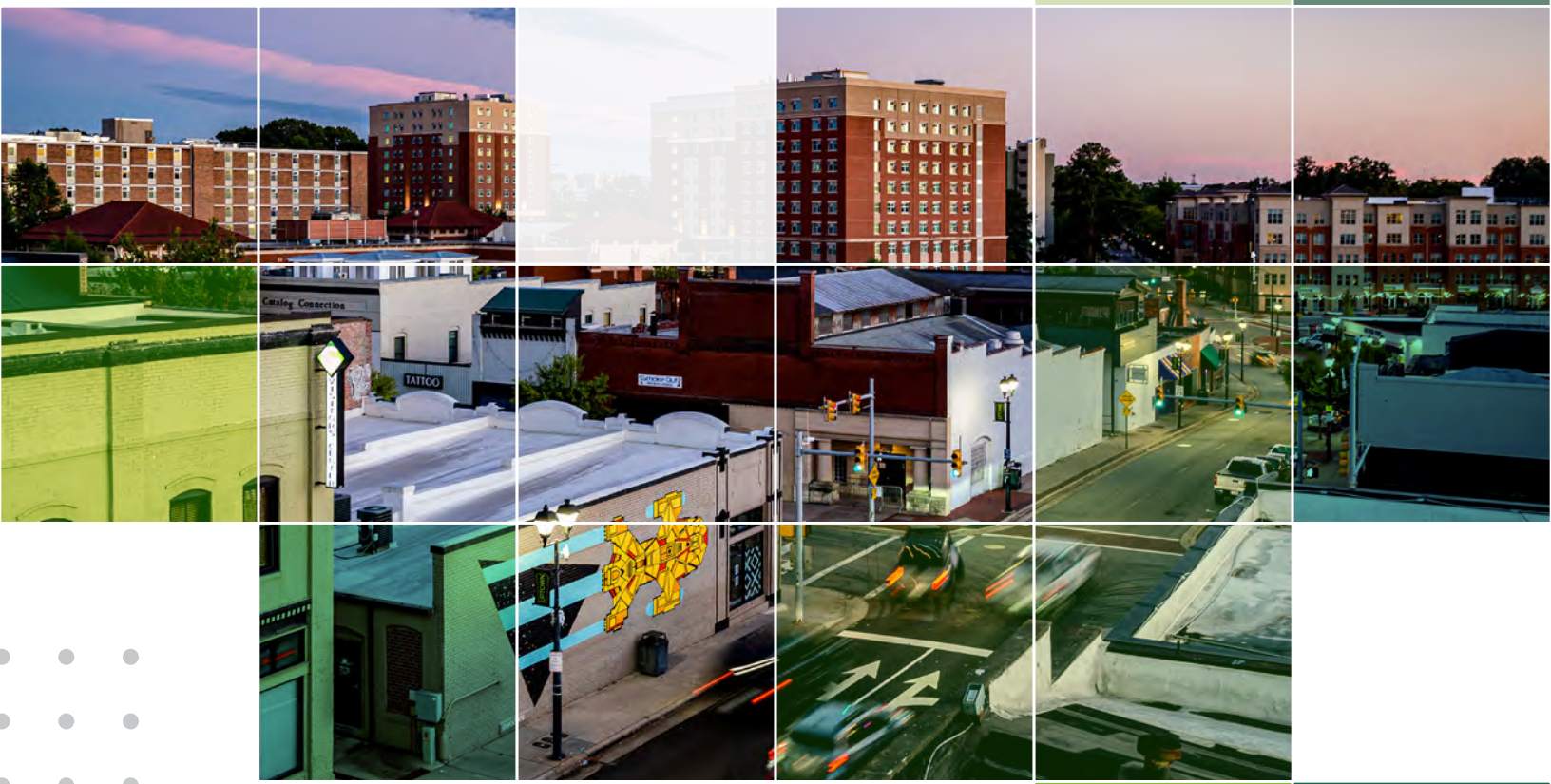
**CITY OF GREENVILLE, NORTH CAROLINA**  
**FIDUCIARY FUNDS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**

**Exhibit K**

YEAR ENDED JUNE 30, 2023

	<b>Pension Trust Funds</b>
<b>Additions:</b>	
Employer contributions	\$ 5,320,852
Total contributions	<u>5,320,852</u>
Investment income:	
Interest	65,133
Net appreciation in fair value of investments	1,505,518
Less investment expense	<u>(866)</u>
Net investment income	<u>1,569,785</u>
Total additions	<u>6,890,637</u>
<b>Deductions:</b>	
Benefits	<u>4,120,852</u>
Total deductions	<u>4,120,852</u>
Change in net position	2,769,785
Net position restricted for postemployment benefits other than pensions:	
Net position, beginning of year	<u>14,758,336</u>
Net position, ending of year	<u>\$ 17,528,121</u>

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



# Notes to Financial Statements

Annual Comprehensive Financial Report  
(ACFR) – Fiscal Year Ending June 30, 2023

## 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, except for fiduciary activities. These statements include the financial activities of the overall government. As a general rule, eliminations have been made to minimize the double counting of internal activities. There are some exceptions to that general rule, certain charges between the City’s enterprise functions and various other functions of the government. Elimination of those charges would distort the direct costs and program revenues reported for the various functions concerned. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed, in whole or in part, by fees charged to external parties.

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

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

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

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.

*ARPA Special Revenue Fund.* The ARPA Special Revenue fund is a major fund that accounts for revenues and spending under the American Rescue Plan Act.

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 nine special revenue funds: the Community Development and HOME Fund, Sheppard Memorial Library Fund, Housing Trust Fund, Centralized Grant Fund, FEMA Fund, Donations Fund, Occupancy Tax Fund, and the Red Light Program 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, 2023, 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.

*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.

### **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.

*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 subscriptions, and 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. 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.

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.

#### **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. Because the NCCMT Government has 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 \$31.815788 per share at June 30, 2023.

## **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.

## **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	\$140,806
Public safety	\$1,125,494

## Nonmajor Governmental funds:

Streets	3,061,741
Debt service	372,946
Economic Development	14,543
Public safety	128,162
Unexpended debt proceeds	4,980,542
Unexpended grant proceeds	24,664,995
Culture and Recreation	3,704,714
Unexpended donations	318,806
Total Governmental Activities	<u>\$38,512,749</u>

**Business-Type Activities:**

## Cash:

## Greenville Utilities Commission:

Customer deposits	\$6,600,033
Unexpended bond proceeds	11,563,309
Unexpended system development fees	4,153,433
Total Business-Type Activities	<u>\$22,316,775</u>

**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, 2023. 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, right to use leases, 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 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. 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.

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

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

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. Right to use assets

The City has recorded right to use lease assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

## 10. 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 assets 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, OPEB deferrals 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 assets

that applies to a future period and so will not be recognized as revenue until then. The City has several items that qualify for reporting in this category – property taxes receivable, OPEB, lease, and pension deferrals. The Commission also has OPEB deferrals.

## **11. 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 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 funds 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.

## **12. 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.

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

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

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

**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 Cultural and Recreational** – Portion of fund balance that is restricted by debt issuance for cultural and recreational construction expenses in various special revenue and capital project funds.

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

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

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

**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.

*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	\$37,420,026
Less:	
Inventories and prepaid items	53,317
Loans receivable	14,700
Stabilization by State statute	10,441,824
Restricted for general government	140,806
Restricted for public safety	1,125,493
Committed for catastrophic losses	2,253,019
Assigned for subsequent year's expenditures	500,000
Total available fund balance	<u><u>\$22,890,867</u></u>

The City of Greenville has outstanding encumbrances as of June 30, 2023, 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:	\$2,532,134
Aggregate nonmajor funds:	\$35,181,924

### 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 Fleet internal service fund is reporting a net position deficit of \$2,030,068 as of June 30, 2023. The deficit will be resolved through chargeback rates for services.



## II. Pronouncements Issued But Not Yet Effective

The GASB has issued several pronouncements prior to June 30, 2023 that have 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 Utilities Commission.

GASB Statement No. 99, "Omnibus". The requirements of this Statement are effective as follows:

- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 100, "Accounting Changes and Error Corrections, an amendment of GASB Statement No. 62". The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 101, "Compensated Absences". The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

## 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, 2023, the City's deposits had a carrying amount of \$7,262,280 and a bank balance of \$8,320,418. Of the bank balance, \$668,530 is covered by Federal depository insurance, and the remainder of \$7,651,888 was covered by collateral held under the pooling method. The City's deposits include checking accounts and money market accounts. The City's cash on hand at June 30, 2023 consisted of various petty cash funds totaling \$6,739.

At June 30, 2023, the Utilities Commission's deposits had a carrying amount of \$14,871,396 and a bank balance of \$14,510,157. Of the bank balance, \$1,140,204 was covered by Federal depository insurance, and \$13,369,953 was covered by collateral held under the pooling method. The Utilities Commission's deposits include checking accounts, savings accounts, and money market accounts. The Utilities Commission's cash on hand at June 30, 2023, consisted of various petty cash funds totaling \$5,800.

#### 2. Investments



At June 30, 2023, the investments and related maturities of the City were as follows:

Investment Type	Valuation		Less Than Six		
	Measurement Method	Fair Value	Months	6-12 Months	1-5+ Years
NC Capital Management Trust - Government Portfolio	Fair Value Level 1	\$ 90,201,118	\$ 90,201,118	\$ -	\$ -
U.S. Treasuries	Fair Value Level 1	5,941,951	-	-	5,941,951
U.S. Government Agency - FHLB	Fair Value Level 2	329,135	-	-	329,135
U.S. Government Agency - FHLMC	Fair Value Level 2	2,973,513	-	-	2,973,513
U.S. Government Agency - FNMA	Fair Value Level 2	14,288,935	-	-	14,288,935
Total Investments		<u>\$113,734,652</u>	<u>\$90,201,118</u>	<u>\$ -</u>	<u>\$23,533,534</u>

At June 30, 2023, the Commission had the following investments and maturities:

Investment Type	Valuation		Less Than Six		
	Measurement Method	Fair Value	Months	6-12 Months	1-5+ Years
U.S. Government Agencies	Fair Value Level 1	30,678,112	20,021,316	481,917	10,174,879
Commercial Paper	Fair Value Level 1	16,176,128	16,176,128	-	-
U.S. Treasury Notes	Fair Value Level 1	49,405,092	2,988,277	8,855,408	37,561,407
NC Capital Management Trust - Government Portfolio	Fair Value Level 1	37,624,472	37,624,472	-	-
Total Investments		<u>\$133,883,804</u>	<u>\$76,810,193</u>	<u>\$9,337,325</u>	<u>\$47,736,286</u>

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

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

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

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

**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 and AAAMf by Moody's Investor Service as of June 30, 2023.

**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, 2022. 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 Investment</u>
NCCMT	90,201,118	79.3%
U.S. Treasuries	5,941,951	5.2%
U.S. Government Agency - FHLB	329,135	0.3%
U.S. Government Agency - FHLMC	2,973,513	2.6%
U.S. Government Agency - FNMA	14,288,935	12.6%

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

**OPEB Trust Fund (City excluding the Commission).** At June 30, 2023, the City’s OPEB Trust Fund had \$9,681,139 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) 34.28%; North Carolina Non Pension Fixed Income 8.07%; and BlackRock’s MSCI ACWI EQ Index Non-Lendable Class B Fund 57.65% (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 .7 years at June 30, 2023. The State Treasurer’s BIF is unrated and had a weighted average maturity of 8.70 years at June 30, 2023.

**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, 2023, the Commission OPEB Trust had \$7,846,982 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 22%; State Treasurer's BIF 13%; and BlackRock's MSCI ACWI EQ Index Non-Lendable Class B Fund 65% (the equities were split with 62.20% in domestic securities and 37.80% 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 .7 years at June 30, 2023. The State Treasurer's BIF is unrated and had a weighted average maturity of 8.70 years at June 30, 2023.

*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, 2023 of .7 years.

Ownership of the BIF is determined monthly at fair value using the same Level 2 inputs as the STIF and is based upon units of participation. Units of participation are calculated monthly based upon inflows and outflows as well as allocations of net earnings. The BIF, which does not have a credit rating, was valued at \$1 per unit and had an average maturity of 8.70 years at June 30, 2023.

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, 2023, the fair value of the funds was \$31.815788 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:

<b>Total per Footnote:</b>	<u>City</u>	<u>Commission</u>	<u>Total</u>
Investments	\$113,734,652	\$133,883,804	\$247,618,456
Investments - OPEB Trust Fund	9,681,139	7,846,982	17,528,121
Cash	7,262,280	14,871,396	22,133,676
Petty cash	6,739	5,800	12,539
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total	<u>\$130,684,810</u>	<u>\$156,607,982</u>	<u>\$287,292,792</u>
<b>Total per Statement of Net Assets:</b>			
Cash and investments - unrestricted			\$208,935,147
Cash and investments - restricted			60,829,524
Cash and investments - Pension Trust Funds			17,528,121
			<u>\$287,292,792</u>

### 3. Receivables – Allowances for Doubtful Accounts

Receivables at the government-wide level at June 30, 2023 were as follows:

	<u>Amount</u>	<u>Allowance for Doubtful Accounts</u>	<u>Net Receivables</u>
<b>Governmental Activities:</b>			
Tax Receivable	\$320,389	\$64,323	\$256,066
Accounts Receivable			
Rescue fees receivable	5,056,651	3,709,702	1,346,949
Lease receivable	2,837,834	-	2,837,834
Lot cutting fees receivable	279,829	-	279,829
Parking violations receivable	77,088	-	77,088
Loans receivable	667,669	-	667,669
Other receivables	5,031,394	524,587	4,506,807
Interest receivable	44,965	-	44,965
Due from other governments	6,346,107	-	6,346,107
Total Governmental Activities	<u>\$20,661,926</u>	<u>\$4,298,612</u>	<u>\$16,363,314</u>
<b>Business-Type Activities:</b>			
Greenville Utilities Commission	\$31,996,755	\$7,584,378	\$24,412,377
Lease receivable	\$3,074,420	\$ -	\$3,074,420
Stormwater fund	1,445,053	-	1,445,053
Other nonmajor enterprise	1,940,803	-	1,940,803
Due from other governments	2,808,256	-	2,808,256
Total Business-Type Activities	<u>\$41,265,287</u>	<u>\$7,584,378</u>	<u>\$33,680,909</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 \$87,118; payable in monthly installments for 15 years at a 5.25% interest rate.

### 4. Lease Receivables

On 07/01/2021, Greenville, NC entered into a 412 month lease as Lessor for the use of Surface Parking Lot. An initial lease receivable was recorded in the amount of \$2,678,093. As of 06/30/2023, the value of the lease receivable is \$2,537,546. The lessee is required to make annual variable principal and interest payments of \$115,200 based on a CPI index of 0.00%. The lease has an interest rate of 2.5830%. The Land Improvements estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$2,522,239, and Greenville, NC recognized lease revenue of \$77,927 during the fiscal year. The lessee has 1 extension option(s), each for 120 months.

On 07/01/2021, Greenville, NC entered into a 116 month lease as Lessor for the use of 2242 Sunnyside Road. An initial lease receivable was recorded in the amount of \$59,820.37. As of 06/30/2023, the value of the lease receivable is \$49,845. The lessee is required to make annual fixed payments of \$5,250. The lease has an interest rate of 1.6040%. The Land estimated useful life was 0 months as of the contract commencement. The value of

the deferred inflow of resources as of 06/30/2023 was \$47,443, and Greenville, NC recognized lease revenue of \$6,188 during the fiscal year. The lessee has 3 extension option(s), each for 60 months.

On 07/01/2021, Greenville, NC entered into a 84 month lease as Lessor for the use of 201 W. 5th St.. An initial lease receivable was recorded in the amount of \$339,452. As of 06/30/2023, the value of the lease receivable is \$250,441. The lessee is required to make monthly fixed payments of \$3,993. The lease has an interest rate of 1.3750%. The Land Improvements estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$242,466, and Greenville, NC recognized lease revenue of \$48,493 during the fiscal year.

### *Commission Lease Receivables*

In July 2021, the Utilities Commission entered into a 7-year lease with Wells Fargo Bank, N.A. Under the lease, Wells Fargo Bank, N.A. pays the Utilities Commission \$800 monthly to operate an Automated Teller Machine on Utilities Commission property. There are no variable components in the lease. Tenant may continue to renew the term of the lease for successive five-year terms by sending written notice of renewal to the Utilities Commission no later than 180 days prior to expiration of the prior five-year term. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. At June 30, 2023 the receivable balance due from Wells Fargo Bank totaled \$92,774.

In a previous year, the Utilities Commission entered into a 10-year lease with EL Land, LLC. Under the lease, EL Land, LLC pays the Utilities Commission an annual fee in exchange for the use of 158 acres of land for recreational/sport hunting purposes. Annual payments will increase by \$1,000 every other year. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. At June 30, 2023 the receivable balance due from EL Land, LLC totaled \$47,137.

In a previous year, the Utilities Commission entered into a 12-year lease with the North Carolina Eastern Municipal Power Agency (NCEMPA) for the use of approximately 5.687 acres located in Winterville Township, otherwise known as the Winterville Substation. The sole purpose of the lease is to allow the lessee to install and operate electric generating facilities and related equipment on the premises. Under the lease, NCEMPA pays the Utilities Commission annually, subject to increases every 5 years based on the consumer price index. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. At June 30, 2023 the receivable balance due from NCEMPA totaled \$302,836.

In a previous year, the Utilities Commission entered into a 27-year lease with BVP First Street Place. Under the lease, BVP First Street Place pays the Utilities Commission monthly in exchange for the use of approximately 3.938 acres of land to be used as a parking facility. Payments are subject to annual increases based on the consumer price index. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. At June 30, 2023 the receivable balance due from BVP First Street Place totaled \$366,129.

In a previous year, the Utilities Commission entered into multiple leases with East Carolina University (ECU), ECU Health, and Pitt Community College for the use of dark fiber for data transmission services between various school and health facilities around Greenville. Payment amounts vary from \$50 to \$3,762 per month.

Terms vary from 56 to 132 months. There are no variable components in the leases. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. The total balance of the dark fiber leases receivable at June 30, 2023 was \$1,199,372.

In a previous year, the Utilities Commission entered into a 10-year lease with USCOC of North Carolina for the construction and operation of a cell tower on the Utilities Commission's East Side Elevated Water Tower. The lessee is required to make fixed monthly payments, which are subject to annual increases based on changes in the consumer price index. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. The balance of the lease receivable related to the East Side Elevated Water Tower at June 30, 2023 was \$328,261.

In a previous year, the Utilities Commission entered into an 8-year lease with USCOC of North Carolina for the construction and operation of a cell tower on the Utilities Commission's Westside Communications Tower. The lessee is required to make fixed monthly payments, which are subject to annual increases based on changes in the consumer price index. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. The balance of the lease receivable related to the Westside Communications Tower at June 30, 2023 was \$180,524.

In a previous year, the Utilities Commission entered into a 5-year lease with Verizon Wireless for the construction and operation of a cell tower on the Utilities Commission's Elevated Water Storage Tower on Greenville Boulevard. The lessee is required to make fixed monthly payments, which are subject to annual increases of 3%. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. The balance of the lease receivable due from Verizon Wireless as of June 30, 2023 was \$135,565.

In a previous year, the Utilities Commission entered into a 6-year lease with Fibertech Networks for the right to place attachments on utility poles owned by the Utilities Commission. The lessee is required to make fixed annual payments. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. During the fiscal year ended June 30, 2023, the lease was amended and the lease receivable has been remeasured. The balance of the lease receivable due from Fibertech Networks as of June 30, 2023 was \$4,758.

In a previous year, the Utilities Commission entered into an 11-year lease with Metro Fibernet, LLC for the right to place attachments on utility poles owned by the Utilities Commission. The lessee is required to make fixed annual payments. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. During the fiscal year ended June 30, 2023, the lease was amended and the lease receivable has been remeasured. The balance of the lease receivable due from Metro Fibernet, LLC as of June 30, 2023 was \$411,574.

In a previous year, the Utilities Commission entered into a 9-year lease with ShotSpotter, Inc. for the right to place attachments on utility poles owned by the Utilities Commission. The lessee is required to make fixed



annual payments. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. The balance of the lease receivable due from ShotSpotter, Inc. as of June 30, 2023 was \$4,610.

In fiscal year 2023, the Utilities Commission recognized \$438,859 of lease revenue and \$100,884 of interest revenue under the leases.

## 5. Capital Assets

Capital Asset activity for the governmental activities for the year ended June 30, 2023 was as follows:

	Balance June 30, 2022	Additions	Deletions	Transfers/CIP	Balance June 30, 2023
<b>Governmental Activities</b>					
<b>Capital Assets Not Being Depreciated:</b>					
Land	\$42,100,784	\$27,670	\$(369,853)	\$ -	\$41,758,601
Right-of-way easements	14,069,517	2,105,400	-	-	16,174,917
Construction in progress	18,547,688	11,916,064	-	(1,332,340)	29,131,412
Total capital assets not being depreciated	<u>74,717,989</u>	<u>14,049,134</u>	<u>(369,853)</u>	<u>(1,332,340)</u>	<u>87,064,930</u>
<b>Capital Assets Being Depreciated:</b>					
Buildings	89,117,266	183,869	-	-	89,301,135
Improvements	12,740,529	392,476	(273,768)	1,332,340	14,191,577
Intangible	2,017,400	-	(185,905)	-	1,831,495
Infrastructure	120,928,955	7,609,433	-	-	128,538,388
Vehicles	3,908,840	68,305	(34,677)	-	3,942,468
Machinery and equipment	19,249,077	503,252	(465,843)	-	19,286,486
Furniture and Fixtures	-	25,203	-	-	25,203
Right to use equipment lease	63,940	88,598	(15,585)	-	136,953
Right to use vehicle lease	31,033	-	-	-	31,033
Right to use subscription asset	-	2,679,842	-	-	2,679,842
Total capital assets being depreciated	<u>248,057,040</u>	<u>11,550,978</u>	<u>(975,778)</u>	<u>1,332,340</u>	<u>259,964,580</u>
<b>Less Accumulated Depreciation for:</b>					
Buildings	(45,187,269)	(2,793,902)	-	-	(47,981,171)
Improvements	(6,536,502)	(682,110)	273,768	-	(6,944,844)
Intangible	(2,017,400)	-	185,905	-	(1,831,495)
Infrastructure	(36,110,248)	(2,506,098)	-	-	(38,616,346)
Vehicles	(3,454,105)	(116,768)	34,677	-	(3,536,196)
Machinery and equipment	(17,688,014)	(668,944)	465,843	-	(17,891,115)
Furniture and Fixtures	-	(420)	-	-	(420)
Right to use equipment lease	(25,878)	(50,283)	15,585	-	(60,576)
Right to use vehicle lease	(12,240)	(12,240)	-	-	(24,480)
Right to use subscription asset	-	(573,570)	-	-	(573,570)
Total accumulated depreciation	<u>(111,031,656)</u>	<u>(7,404,335)</u>	<u>975,778</u>	<u>-</u>	<u>(117,460,213)</u>
Total capital assets being depreciated, net	<u>137,025,384</u>	<u>4,146,643</u>	<u>-</u>	<u>1,332,340</u>	<u>142,504,367</u>
Governmental activities capital assets, net	<u>\$211,743,373</u>	<u>\$18,195,777</u>	<u>\$(369,853)</u>	<u>\$ -</u>	<u>\$229,569,297</u>



	Balance June 30, 2022	Additions	Deletions	Transfers/CIP	Balance June 30, 2023
<b>Internal Service Fund:</b>					
<b>(reported in Governmental Activities)</b>					
<b>Capital Assets Not Being Depreciated:</b>					
Construction in progress	\$88,415	\$210,885	\$ -	\$(88,415)	\$210,885
Total capital assets not being depreciated	88,415	210,885	-	(88,415)	210,885
<b>Capital Assets Being Depreciated:</b>					
Building	903,162	18,439	-	-	921,601
Vehicles	38,787,849	5,103,330	(1,286,230)	88,415	42,693,364
Machinery and equipment	2,819,954	311,184	(182,849)	-	2,948,289
Improvements	85,211	-	(8,750)	-	76,461
Total capital assets being depreciated	42,596,176	5,432,953	(1,477,829)	88,415	46,639,715
<b>Less Accumulated Depreciation for:</b>					
Building	(395,241)	(60,953)	-	-	(456,194)
Vehicles	(25,801,769)	(2,811,555)	1,286,230	-	(27,327,094)
Machinery and equipment	(2,157,752)	(200,898)	182,849	-	(2,175,801)
Improvements	(49,797)	(6,389)	7,584	-	(48,602)
Total accumulated depreciation	(28,404,559)	(3,079,795)	1,476,663	-	(30,007,691)
Total capital assets being depreciated, net	14,191,617	2,353,158	(1,166)	-	16,632,024
Capital assets, net	\$14,280,032	\$2,564,043	\$(1,166)	\$ -	\$16,842,909

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

General government	\$2,087,381
Public safety	740,806
Economic and physical development	5,024
Cultural and recreational	2,284,302
Transportation	17,959
Infrastructure	2,268,861
Total	<u>\$7,404,333</u>
General Government - Internal Service Fund	<u>\$3,079,795</u>

**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.

	<u>Balance</u> <u>June 30, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers/CIP</u>	<u>Balance</u> <u>June 30, 2023</u>
<b>Business-Type Activities Capital Assets Not Being Depreciated:</b>					
Land	\$199,517	\$ -	\$ -	\$ -	\$199,517
Construction in progress	1,621,805	40,589	-	-	1,662,394
Total capital assets not being depreciated	<u>1,821,322</u>	<u>40,589</u>	<u>-</u>	<u>-</u>	<u>1,861,911</u>
<b>Capital Assets Being Depreciated:</b>					
Buildings	407,664	-	-	-	407,664
Machinery and equipment	819,706	7,062	-	-	826,768
Vehicles	7,841,527	-	(744,273)	-	7,097,254
Intangible	20,500	-	-	-	20,500
Infrastructure	42,801,631	2,022,273	-	-	44,823,904
Right to use lease asset	181,565	-	-	-	181,565
Total capital assets being depreciated	<u>52,072,593</u>	<u>2,029,335</u>	<u>(744,273)</u>	<u>-</u>	<u>53,357,655</u>
<b>Less Accumulated Depreciation for:</b>					
Buildings	(406,840)	(367)	-	-	(407,207)
Machinery and equipment	(579,152)	(61,505)	-	-	(640,657)
Vehicles	(5,624,819)	(382,521)	744,273	-	(5,263,067)
Intangible	(12,642)	(4,100)	-	-	(16,742)
Infrastructure	(1,889,131)	(851,708)	-	-	(2,740,839)
Right to use lease asset	(60,916)	(60,917)	-	-	(121,833)
Total accumulated depreciation	<u>(8,573,500)</u>	<u>(1,361,118)</u>	<u>744,273</u>	<u>-</u>	<u>(9,190,345)</u>
Total capital assets being depreciated, net	<u>43,499,093</u>	<u>668,217</u>	<u>-</u>	<u>-</u>	<u>44,167,310</u>
Business-type activity capital assets, net	<u><u>\$45,320,415</u></u>	<u><u>\$708,806</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$46,029,221</u></u>

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

	Balance June 30, 2022	Additions	Deletions	Transfers/CIP	Balance June 30, 2023
<b>Capital Assets Not Being Depreciated:</b>					
Land	\$8,564,678	\$ -	\$ -	\$ -	\$8,564,678
Easements	640,937	9,907	-	16,135	666,979
Construction in progress	71,195,395	26,351,844	-	(70,443,913)	27,103,326
Total capital assets not being depreciated	<u>80,401,010</u>	<u>26,361,751</u>	<u>-</u>	<u>(70,427,778)</u>	<u>36,334,983</u>
<b>Capital Assets Being Depreciated:</b>					
Land improvements	3,781,930	-	-	-	3,781,930
General plant	68,023,975	769,734	-	7,215,125	76,008,834
Utility plant	185,067,221	1,097,319	-	51,247,517	237,412,057
Computer software	33,779,593	339,777	-	-	34,119,370
Vehicles and equipment	32,880,257	2,540,429	(279,320)	-	35,141,366
Distribution systems	550,937,638	17,745,342	-	11,941,969	580,624,949
Transmission systems	48,314,562	25,387	-	-	48,339,949
Computer hardware	4,824,204	699,357	-	23,167	5,546,728
Fiber optics	2,702,385	110,868	-	-	2,813,253
Right to use lease assets	593,772	65,288	(55,247)	-	603,813
Right to use subscription asset	-	744,441	-	-	744,441
Total capital assets being depreciated	<u>930,905,537</u>	<u>24,137,942</u>	<u>(334,567)</u>	<u>70,427,778</u>	<u>1,025,136,690</u>
<b>Less Accumulated Depreciation for:</b>					
Land improvements	(2,041,849)	(177,061)	-	-	(2,218,910)
General plant	(12,176,247)	(2,417,686)	-	-	(14,593,933)
Utility plant	(91,731,986)	(7,050,439)	-	-	(98,782,425)
Computer software	(19,221,261)	(1,888,173)	-	-	(21,109,434)
Vehicles and equipment	(28,614,083)	(2,189,744)	279,320	-	(30,524,507)
Distribution systems	(300,487,625)	(14,381,094)	-	-	(314,868,719)
Transmission systems	(29,687,242)	(1,540,808)	-	-	(31,228,050)
Computer hardware	(4,128,146)	(436,356)	-	-	(4,564,502)
Fiber optics	(1,832,662)	(101,495)	-	-	(1,934,157)
Right to use lease assets	(192,151)	(174,465)	29,511	-	(337,105)
Right to use subscription asset	-	(200,769)	-	-	(200,769)
Total accumulated depreciation	<u>(490,113,252)</u>	<u>(30,558,090)</u>	<u>308,831</u>	<u>-</u>	<u>(520,362,511)</u>
Total capital assets being depreciated, net	<u>440,792,285</u>	<u>(6,420,148)</u>	<u>(25,736)</u>	<u>70,427,778</u>	<u>504,774,179</u>
Net Capital Assets	<u>\$521,193,295</u>	<u>\$19,941,603</u>	<u>\$(25,736)</u>	<u>\$ -</u>	<u>\$541,109,162</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, 2022 totaled \$13,227,844, \$6,520,256, \$7,890,476, and \$2,919,514 respectively.

### *Construction Commitments (Commission)*

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

<u>Project Name</u>	<u>Spent-to-Date</u>	<u>Remaining Commitments</u>
Electric transmission system	\$6,033,928	\$8,726,896
Electric distribution system	2,652,175	3,915,400
Water treatment and distribution system	52,519,801	5,257,314
Sewer treatment and collection system	12,227,216	6,192,331
Natural gas distribution system	2,134,411	1,052,005
Administrative facilities	310,601	1,145,901
Total	<u>\$75,878,132</u>	<u>\$26,289,847</u>

### *Right to use Assets*

The City's capital assets also include certain right to use assets. These right to use assets arise in association with agreements where the City reports a lease or agreements where the City reports an Information Technology (IT) Subscription.

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

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

## **B. Liabilities**

### *Accounts payable and Accrued Liabilities*

Payables at the government-wide level at June 30, 2023 were as follows:

<u>Type of Payable</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Trade payable	\$5,826,817	\$20,405,323
Accrued salaries and fringe benefits	-	-
Other accrued expenses	2,759,839	200,257
Total	<u>\$8,586,656</u>	<u>\$20,605,580</u>

### **1. Pension Plan Obligations**

## **a. Local Governmental Employees' Retirement System**

*Plan Description.* The City 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](http://www.osc.nc.gov).

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

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, 2023 was 12.10% of compensation for law enforcement officers and 12.10% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the City of Greenville were \$5,722,182 for the year ended June 30, 2023. The Commission's contributions to LGERS were \$4,304,672 for the year ended June 30, 2023.

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

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

At June 30, 2023, the City reported a liability of \$33,831,644 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 utilizing update procedures incorporating the actuarial assumptions. The City's proportion of the net pension liability was based on a projection of the City's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2023, the City's proportion was 0.59970%, which was an increase of 0.00676% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2023, the City recognized pension expense of \$8,994,099. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$1,457,775	\$142,926
Net difference between projected and actual earnings on pension plan investments	11,181,712	
Changes in proportion and differences between contributions and proportionate share of contributions	53,240	747,099
Changes of assumptions	3,375,639	-
Contributions subsequent to the measurement date	5,722,182	-
Total	<u>\$21,790,548</u>	<u>\$890,025</u>

\$5,722,182 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, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending June 30,</b>	
2024	\$4,625,166
2025	3,955,150
2026	1,270,848
2027	5,327,177
Thereafter	<u>-</u>
Total	<u>\$15,178,341</u>

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

Inflation	2.50%
Salary increases	3.25% to 8.25%, including inflation and productivity factor
Investment Rate of Return	6.5%, net of pension plan investment expense, including inflation of 2.50%

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, 2021 valuation were based on the results of an actuarial experience study prepared as of December 31, 2019 and adopted by the Board of Trustees on January 28, 2021.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	29.00%	1.10%
Global Equity	42.00%	6.50%
Real Estate	8.00%	5.90%
Alternatives	8.00%	7.50%
Opportunistic Fixed Income	7.00%	5.00%
Inflation Sensitive	6.00%	2.70%
	100.00%	

The information above is based on 30-year expectations developed with an investment consulting actuary firm as a part of a study that was completed in early 2022 and is part of the asset, liability, and investment policy study of 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 2.25%. All rates of return and inflation are annualized.

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

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

	<b>1% Decrease (5.50%)</b>	<b>Discount Rate (6.5%)</b>	<b>1% Increase (7.50%)</b>
City's proportionate share of the net pension liability (asset)	<u>\$61,061,760</u>	<u>\$33,831,644</u>	<u>\$11,392,447</u>

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

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

At June 30, 2023, the Utilities Commission reported a liability of \$23,703,023 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 utilizing update procedures incorporating the actuarial assumptions. The Utilities Commission's proportion of the net pension liability was based on a projection of the Utilities 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, 2022, the Utilities Commission's proportion was 0.42016%, which was an increase of 0.00565% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the Utilities Commission recognized pension expense of \$6,670,525. At June 30, 2023, the Utilities Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$1,021,342	\$100,137
Net difference between projected and actual earnings on pension plan investments	7,834,097	-
Changes in proportion and differences between contributions and proportionate share of contributions	195,296	227,401
Changes of assumptions	2,365,030	-
Contributions subsequent to the measurement date	4,304,672	-
Total	<u>\$15,720,437</u>	<u>\$327,538</u>

\$4,304,672 reported as deferred outflows of resources related to pensions resulting from Utilities Commission contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. 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>	
2024	\$3,436,127
2025	2,972,814
2026	946,977
2027	3,732,309
Thereafter	-
Total	<u>\$11,088,227</u>

*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 6.50%, 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 (5.50%) or one percentage point higher (7.50%) than the current rate:

	<u>1% Decrease (5.50%)</u>	<u>Discount Rate (6.50%)</u>	<u>1% Increase (7.50%)</u>
Commission's proportionate share of the net pension liability	<u>\$42,780,905</u>	<u>\$23,703,024</u>	<u>\$7,981,742</u>

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

## **b. Law Enforcement Officers' Special Separation Allowance**

### *1. Plan Description.*

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

All full-time City law enforcement officers are covered by the Separation Allowance. At December 31, 2022 the Separation Allowance's membership consisted of:

Retirees receiving benefits	31
Terminated plan members entitled to, but not yet receiving, benefits	-
Active plan members	186
Total	<u>217</u>

### *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 of GAAP.

### 3. Actuarial Assumptions.

The entry age normal actuarial cost method was used in the December 31, 2022 valuation. The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.25% to 7.75%, including inflation and productivity factor
Discount Rate	2.25%

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, 2022.

Mortality rates are based on the Pub-2010 amount weighted tables.

### 2. 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 \$343,983 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, 2023, the City reported a total pension liability of \$9,716,266. The total pension liability was measured as of December 31, 2022 based on a December 31, 2021 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2022 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2023 the City recognized pension expense of \$969,812.

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$151,080	\$69,290
Changes of assumptions	1,498,922	1,549,565
City benefit payments and plan administrative expenditures paid subsequent to the measurement date	343,983	-
Total	<u>\$1,993,985</u>	<u>\$1,618,855</u>

Subsequent to the measurement date, \$343,983 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, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending June 30,</b>	
2024	\$189,798
2025	220,324
2026	115,536
2027	(308,753)
2028	(185,758)
Thereafter	-
<b>Total</b>	<b>\$31,147</b>

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

	<b>1% Decrease (3.31%)</b>	<b>Discount Rate (4.31%)</b>	<b>1% Increase (5.31%)</b>
Total LEOSSA Pension Liability	\$10,466,364	\$9,716,266	\$9,031,057

### Schedule of changes in Total Pension Liability

#### Law Enforcement Officers' Special Separation Allowance

Beginning balance	\$11,178,551
Service cost	518,350
Interest on the total pension liability	243,512
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	108,482
Changes of assumptions or other inputs	(1,621,065)
Benefit payments	(711,564)
Other changes	-
Ending balance of the total pension liability	\$9,716,266

	<b>LGERS</b>	<b>LGERS</b>	<b>LEOSSA</b>	<b>TOTAL</b>
	<b>LGERS (City)</b>	<b>(Commission)</b>		
Proportionate Share of Net Pension Liability (Asset)	\$ 33,831,644	\$ 23,703,023	\$ -	\$ 57,534,667
Proportion of the Net Pension Liability (Asset)	0.59970%	0.42016%	N/A	1.01986%
Total Pension Liability	-	-	9,716,266	9,716,266
Pension Expense	8,994,099	6,670,525	969,812	16,634,436
<b>Deferred Outflows of Resources</b>				
Difference between expected and actual experience	1,457,775	1,021,342	151,080	2,630,197
Changes of assumptions	3,375,639	2,365,030	1,498,922	7,239,591
Net difference between projected and actual earnings on pension plan investments	11,181,712	7,834,097	-	19,015,809
Changes in proportion and differences between City contributions and proportionate share of contributions	53,240	195,296	-	248,536
City contributions (LGERS)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date	5,722,182	4,304,672	343,983	10,370,837
Total Deferred Outflows of Resources	<u>21,790,548</u>	<u>15,720,437</u>	<u>1,993,985</u>	<u>39,504,970</u>
<b>Deferred Inflows of Resources</b>				
Differences between expected and actual experience	142,926	100,137	69,290	312,353
Net difference between projected and actual earnings on pension plan investments	-	-	-	-
Changes of assumptions	-	-	1,549,565	1,549,565
Changes in proportion and differences between City contributions and proportionate share of contributions	747,099	227,401	-	974,500
Total Deferred Inflows of Resources	<u>890,025</u>	<u>327,538</u>	<u>1,618,855</u>	<u>2,836,418</u>

### 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 \$621,234 for the year ended June 30, 2023. 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.

Inactive plan members or beneficiaries currently receiving benefit payments	269
Inactive plan members entitled to, but not yet receiving, benefit payments	-
Active plan members	666
Total	935

*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+ years	75%	95%

The City is required to contribute the projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the Council. For the current year, the City contributed \$3,080,582. The City OPEB Plan is accounted for as a trust fund.

**Investments**

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

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

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:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Equity Index Fund	60.00%	9.00%
Bond Index Fund	10.00%	5.00%
Short-Term Investment Fund	30.00%	2.50%
Total	<u>100.00%</u>	

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, 2023, the annual money weighted rate of return on investments, net of investment expense, was 9.69%. 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, 2023 were as follows:

Total OPEB liability	\$66,766,800
Plan fiduciary net position	<u>(9,681,139)</u>
City’s net OPEB liability	<u>\$57,085,661</u>
 Plan fiduciary net position as a percentage of the total OPEB liability	 14.50%

*Actuarial Assumptions.* The total OPEB liability was determined by an actuarial valuation as of June 30, 2022 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Real wage growth	0.75%
Wage inflation	3.25%
Salary increases, including wage inflation	
General Employees	3.25%-8.41%
Firefighters	3.25%-8.15%
Law Enforcement Officers	3.25%-7.90%
Long-term investment rate of return, net of OPEB plan investment expense, including price inflation	7.00%
Municipal bond index rate	
Prior measurement date	3.54%
Measurement date	3.65%
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	7.00% for 2022 decreasing to an ultimate rate of 4.50% by 2032
Medicare	5.13% for 2022 decreasing to an ultimate rate of 4.50% by 2025

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, 2023 valuation were based on a review of recent plan experience done concurrently with the June 30, 2023 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, 2023 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 Pub - 2010 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2019. The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019, 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's basis was an actuarial valuation performed as of June 30, 2023. In addition to the actuarial methods and assumptions of the June 30, 2022 actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually using the payroll growth assumptions.
- Active employees do not explicitly contribute to the plan.



- In all years, the employer pays benefits directly to plan members as the benefits come due. The employer is assumed to have the ability and willingness to make benefit payments from its own resources for all periods in the projection.
- In addition to the direct payment of benefits, the employer will contribute \$700,000 to the trust for fiscal year ending June 30, 2023. The contribution to the trust is expected to continue at the same amount for all future years.
- Projected assets do not include employer contributions that fund the estimated service costs of future employees.
- Cash flows occur mid-year.

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

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:

	<u>1% Decrease (6.00%)</u>	<u>Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Net OPEB liability	<u>\$65,201,577</u>	<u>\$57,085,661</u>	<u>\$50,291,848</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:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Net OPEB liability	<u>\$49,356,750</u>	<u>\$57,085,661</u>	<u>\$66,407,071</u>

Changes in Net OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At June 30, 2023, the City reported a net OPEB liability of \$57,085,661. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022. The total OPEB liability was then rolled forward to the measurement date of June 30, 2023 utilizing update procedures incorporating the actuarial assumptions.

At June 30, 2023, the components of the net OPEB liability of the City, measured as of June 30, 2023, were as follows:

	<b>Total OPEB Liability</b>	<b>Increase (Decrease) Plan Fiduciary Net OPEB</b>	<b>Net Position Liability</b>
Balance at July 1, 2022	\$69,584,832	\$8,119,092	\$61,465,740
Changes for the year:			
Service cost	1,014,528	-	1,014,528
Interest	4,789,027	-	4,789,027
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(7,769,885)	-	(7,769,885)
Changes of assumptions or other inputs	1,528,880	-	1,528,880
Contributions - employer	-	3,080,582	(3,080,582)
Net investment income	-	862,047	(862,047)
Benefit payments	(2,380,582)	(2,380,582)	-
Plan administrative expenses	-	-	-
Net changes	<u>(2,818,032)</u>	<u>1,562,047</u>	<u>(4,380,079)</u>
Balance at June 30, 2023	<u>\$66,766,800</u>	<u>\$9,681,139</u>	<u>\$57,085,661</u>

For the year ended June 30, 2023, the City recognized OPEB expense of \$4,777,038. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$5,366,342	\$9,679,373
Changes of assumptions or other inputs	23,574,002	28,312,196
Net difference between projected and actual earnings on plan investments	179,251	-
Total	<u>\$29,119,595</u>	<u>\$37,991,569</u>

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

<b>Year Ending June 30,</b>	
2024	\$(467,654)
2025	(573,485)
2026	(147,772)
2027	(1,119,775)
2028	(5,911,241)
Thereafter	<u>(652,047)</u>
Total	<u><u>\$(8,871,974)</u></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 \$300,000 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, 2022, the valuation date, the GUC OPEB Plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	202
Inactive plan members entitled to, but not yet receiving, benefit payments	-
Active plan members	440
Total	642

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

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

Years of Service	Age at Retirement	
	55-59	60+
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 \$2,240,270. 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>Long-Term Expected Real Rate of Return</u>
Equity Index Fund	60.00%	7.00%
Bond Index Fund	10.00%	3.00%
Short-Term Investment Fund	30.00%	2.00%
Total	<u>100.00%</u>	

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 rate of return assumption of 7.00%.

Rate of Return. For the year ended June 30, 2023, the annual money weighted rate of return on investments, net of investment expense, was -10.66%. 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, 2023, the components of the net OPEB liability of the Commission were as follows:

Total OPEB liability (TOL)	\$41,763,044
Plan fiduciary net position (FNP)	<u>7,846,982</u>
Net OPEB liability (NOL)	<u>\$33,916,062</u>

Plan fiduciary net position as a percentage of the total OPEB liability	18.79%
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*Actuarial assumptions.* The total OPEB liability was determined by an actuarial valuation as of June 30, 2022 using the following actual assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Real wage growth	0.75%
Wage inflation	3.25%
Salary increases, including wage inflation	
General Employees	3.25%-8.41%
Long-term investment rate of return, net of OPEB plan investment expense, including price inflation	
Municipal bond index rate	7.00%
Prior measurement date	3.54%
Measurement date	3.65%
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	7.00% for 2022 decreasing to an ultimate rate of 4.50% by 2032
Medicare	5.125% for 2022 decreasing to an ultimate rate of 4.50% by 2025

The total OPEB liability (TOL) determined by the June 30, 2022 valuation date was rolled forward to the June 30, 2023 measurement date using standard roll forward techniques. The roll forward calculation begins with the TOL, as of June 30, 2022, 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).

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 Pub-2010 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2019.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period January 1, 2015 - December 31, 2019, adopted by the LGERS Board.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2022 valuation were based on a review of recent plan experience done concurrently with the June 30, 2022 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 7.00%. The projection's basis was an actuarial valuation performed as of June 30, 2022. In addition to the actuarial methods

and assumptions of the June 30, 2022 actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually using the payroll growth assumptions. Active employees do not explicitly contribute to the Plan. In all years, the employer is assumed to contribute \$500,000 to the Plan through deposits to the Trust and pay benefits directly to plan members as the benefits come due, as stated in the formal funding policy. The employer is assumed to have the ability and willingness to make benefit payments from its own resources for all periods in the projection. Projected assets do not include employer contributions that fund the estimated service costs of future employees. Cash flows occur mid-year.

Based on these assumptions, the Plan’s FNP was projected to not be depleted.

The FNP projections are based upon the Plan’s financial status on the Measurement Date, the indicated set of methods and assumptions. 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 Utilities Commission, as well as what the Utilities Commission’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:

	<u>1% Decrease (6.00%)</u>	<u>Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Net OPEB liability	<u>\$39,218,231</u>	<u>\$33,916,062</u>	<u>\$29,505,613</u>

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend 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 healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	<u>1% Decrease</u>	<u>Health Care Trend Rate</u>	<u>1% Increase</u>
Net OPEB liability	<u>\$28,958,939</u>	<u>\$33,916,062</u>	<u>\$39,924,271</u>

At June 30, 2023, the Utilities Commission reported a net OPEB liability of \$33,196,062. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022. The total OPEB liability was then rolled forward to the measurement date of June 30, 2023 utilizing update procedures incorporating the actuarial assumptions.

At June 30, 2023 the components of the net OPEB liability of the Utilities Commission were as follows:

	<b>Total OPEB Liability</b>	<b>Increase (Decrease) Plan Fiduciary Net OPEB</b>	<b>Net Position Liability</b>
Balance at July 1, 2022	\$40,437,581	\$6,639,244	\$33,798,337
Changes for the year:			
Service cost	500,325	-	500,325
Interest	2,770,751	-	2,770,751
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(1,050,247)	-	(1,050,247)
Changes of assumptions or other inputs	844,904	-	844,904
Contributions - employer	-	2,240,270	(2,240,270)
Net investment income	-	707,738	(707,738)
Benefit payments	(1,740,270)	(1,740,270)	-
Plan administrative expenses	-	-	-
Net changes	<u>1,325,463</u>	<u>1,207,738</u>	<u>117,725</u>
Balance at June 30, 2023	<u>\$41,763,044</u>	<u>\$7,846,982</u>	<u>\$33,916,062</u>

For the year ended June 30, 2023, the Commission recognized OPEB expense of \$1,041,570. At June 30, 2023, the commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$1,838,966	\$1,060,986
Changes of assumptions or other inputs	6,917,670	14,130,956
Net difference between projected and actual earnings on plan investments	333,566	-
Total	<u>\$9,090,202</u>	<u>\$15,191,942</u>

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

<b>Year Ending June 30,</b>	
2024	\$(1,764,104)
2025	(1,033,582)
2026	(2,039,497)
2027	(1,240,671)
2028	(23,886)
Thereafter	-
Total	<u><u>\$(6,101,740)</u></u>

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



	OPEB Trust Fund (City)	OPEB Trust Fund (Commission)	Pension Trust Fund Total
<b>Statements of Fiduciary Net Position</b>			
<b>Assets:</b>			
Restricted assets			
Cash and cash equivalents	\$3,318,713	\$2,131,513	\$5,450,226
Investments:			
BlackRock MSCI ACWI EQ Index Non-Lendable Fund	5,581,120	5,716,972	11,298,092
NC Non-Pension Fixed Income	781,307	-	781,307
Total assets	<u>9,681,140</u>	<u>7,848,485</u>	<u>17,529,625</u>
<b>Liabilities:</b>			
Accounts payable	-	-	-
Total liabilities	-	-	-
<b>Net Position:</b>			
Net position restricted for postemployment benefits other than pensions	<u>\$9,681,140</u>	<u>\$7,848,485</u>	<u>\$17,529,625</u>

	OPEB Trust Fund (City)	OPEB Trust Fund (Commission)	Pension Trust Fund Total
<b>Statements of Changes in Fiduciary Net Position Additions:</b>			
Contributions:			
Employer contributions	\$3,318,713	\$2,240,270	\$5,558,983
Total contributions	<u>3,318,713</u>	<u>2,240,270</u>	<u>5,558,983</u>
Investment earnings:			
Interest	-	65,133	65,133
Net increase (decrease) in the fair value of investments	863,551	643,471	1,507,022
Total investment earnings	<u>863,551</u>	<u>708,604</u>	<u>1,572,155</u>
Less investment expense	-	866	866
Net investment income	<u>863,551</u>	<u>707,738</u>	<u>1,571,289</u>
Total additions	<u>4,182,264</u>	<u>2,948,008</u>	<u>7,130,272</u>
<b>Deductions:</b>			
Benefits	2,618,713	1,740,270	4,358,983
Total deductions	<u>2,618,713</u>	<u>1,740,270</u>	<u>4,358,983</u>
Change in net position	1,563,551	1,207,738	2,771,289
Net position restricted for postemployment benefits other than pensions, beginning of year	<u>8,119,092</u>	<u>6,639,244</u>	<u>14,758,336</u>
Net position restricted for postemployment benefits other than pensions, end of year	<u>\$9,682,643</u>	<u>\$7,846,982</u>	<u>\$17,529,625</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.

### 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	
<b>City</b>				
Contributions to LGERS pension plan in current year	\$ -	\$5,722,182	\$ -	\$ -
Benefit payments and administrative expenses for LEOSSA made subsequent to measurement date	-	343,983	-	-
Differences between expected and actual experience	5,366,342	1,608,855	-	-
Changes of assumptions	23,574,002	4,874,561	-	-
Net difference between projected and actual investment earnings	179,251	11,181,712	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	53,240	-	-
Charge on refunding	-	-	155,262	-
<b>Commission</b>				
Contributions to LGERS pension plan in current year	-	4,304,672	-	-
Differences between expected and actual experience	1,838,966	1,021,342	-	-
Changes of assumptions	6,917,670	2,365,030	-	-
Net difference between projected and actual investment earnings	333,566	7,834,097	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	195,296	-	-
Charge on refunding	-	-	976,265	-
Total	<u>\$38,209,797</u>	<u>\$39,504,970</u>	<u>\$1,131,527</u>	<u>\$ -</u>

	Deferred Inflows			
	Statement of Net Position			Governmental Funds Balance Sheet Deferrals
	OPEB Deferrals	Pension Deferrals	Other Deferrals	
<b>City</b>				
Property Tax Receivable	\$ -	\$ -	\$ -	\$256,066
Other Receivables (general fund)	-	-	-	2,352,428
Other Receivables (nonmajor governmental funds)	-	-	-	287,084
Prepaid Property Taxes General Fund	-	-	-	-
Leases	-	-	2,812,149	-
Differences between expected and actual experience	9,679,373	212,217	-	-
Changes of assumptions	28,312,196	1,549,565	-	-
Net difference between projected and actual investment earnings	-	-	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	747,099	-	-
<b>Commission</b>				
Leases	-	-	2,995,629	-
Differences between expected and actual experience	1,060,986	100,137	-	-
Changes of assumptions	14,130,956	-	-	-
Net difference between projected and actual investment earnings	-	-	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	227,401	-	-
Total	<u>\$53,183,511</u>	<u>\$2,836,419</u>	<u>\$5,807,778</u>	<u>\$2,895,578</u>

#### 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	\$175,127,219
Crime	\$1,000,000
Commercial Excess Liability (Umbrella)	\$3,000,000 / \$3,000,000
Commercial Auto Liability	\$2,000,000
General Liability	\$2,000,000 / \$4,000,000
Law Enforcement Liability	\$2,000,000 / \$2,000,000
Workers' compensation	Statutory
Workers' compensation employers' liability	\$2,000,000
Commercial Auto 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 \$1,705,000 reported in accounts payable in the Health Insurance Internal Service Fund at June 30, 2022 is based upon 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, 2023 and 2022 are as follows:

	<b>2023</b>	<b>2022</b>
Unpaid claims, beginning	\$1,705,000	\$1,714,000
Incurred claims and administrative costs	12,308,008	13,593,122
Claim and administrative payments	(11,956,008)	(13,602,122)
Unpaid claims, ending	<u>\$2,057,000</u>	<u>\$1,705,000</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 \$341 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.

	<b>2023</b>	<b>2022</b>
Unpaid claims, beginning	\$975,912	\$790,711
Incurred claims and administrative costs	8,797,071	8,714,940
Claim and administrative payments	(8,625,135)	(8,529,939)
Unpaid claims, ending	<u>\$1,147,848</u>	<u>\$975,712</u>

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

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

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

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

## 5. Claims, Judgments, and Contingent Liabilities

At June 30, 2023, 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. Other financial impacts could occur that are unknown at this time.

## 6. Long-Term Obligations (City)

### a. Leases

The City has entered into several vehicle leases for public safety vehicles and a Sanitation truck. The terms vary by lease with monthly payments ranging from \$510 to \$5,243. The value of the right to use assets is included in the table found below.

On 01/24/2022, The City entered into a 60 month lease as Lessee for the use of Systel Equipment Lease - Library. An initial lease liability was recorded in the amount of \$88,597. As of 06/30/2023, the value of the lease liability is \$62,386. Greenville, NC is required to make monthly fixed payments of \$1,509. The lease has an interest rate of 0.8930%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$88,597 with accumulated amortization of \$25,447 is included with Equipment on the Lease Class activities table found below.

The City has entered into several agreements to lease copiers. The terms vary by lease. The value of the right to use assets is included with Equipment on the Lease Class activities table found below.

Principal and Interest Requirements to Maturity				
Fiscal Year	Business-Type Activities			Total Payments
	Principal Payments	Interest Payments		
2024	57,470		209	57,679
Total Business-Type Activities	57,470		209	57,679
Governmental Activities				
Fiscal Year	Principal Payments	Interest Payments		Total Payments
2024	34,361		553	34,914
2025	20,163		333	20,496
2026	17,944		168	18,111
2027	9,032		24	9,056
Total Governmental Activities	81,499		1,077	82,576

### b. Subscriptions

For the year ended 6/30/2023, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to

use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

The City has entered into several Subscription-Based Information Technology Arrangements, with the longest expiring in 2027. The subscriptions require annual payments ranging from \$14,066 to \$308,250. The required principal and interest payments to maturity are found in the table below.

Principal and Interest Requirements to Maturity			
Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	610,229.76	37,790.80	648,020.56
2025	569,217.91	25,969.72	595,187.63
2026	540,872.18	15,005.42	555,877.60
2027	317,614.72	6,378.96	323,993.68
Total Governmental Activities	2,037,934.57	85,144.90	2,123,079.47

**c. 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:

<b>Governmental Activities</b>	<b>Governmental Funds</b>
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.	\$1,095,000
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%	1,202,579
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.	2,010,784
2015 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%.	980,000
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%.	333,923
2018 Installment Purchase Contract \$967,778 original issue for public safety software and equipment, due in semi-annual installments of \$86,054 to \$207,776 through 2024, plus interest at 3.01%	207,776
2023 Installment Purchase Contract \$2,500,000 original issue for public safety software and equipment, due in annual installments of \$250,000.	<u>2,500,000</u>
Total Governmental Activities	<u><u>\$8,330,062</u></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
2024	2,277,303	211,852	\$2,489,155
2025	1,174,834	171,272	1,346,106
2026	974,419	141,494	1,115,913
2027	951,522	114,436	1,065,958
2028	962,925	87,444	1,050,369
2029-2033	1,989,059	156,583	2,145,642
Total	<u>\$8,330,062</u>	<u>\$883,081</u>	<u>\$9,213,143</u>

#### **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:

<b>Direct Placement General Fund Obligation Bonds</b>	<b>Governmental Funds</b>	<b>Business Type Activities</b>
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.	\$2,067,408	\$1,292,592
In 2021, Tax-Exempt \$1,645,000 Series 2021 General Obligation Refunding Bonds were issued with maturities ranging from \$150,000 to \$175,000. The Series 2021 General Obligation Refunding Bonds were bank placed with and are repaid from the General Fund.	\$1,295,000	\$ -
<b>Total Direct Placement General Obligation Bonds</b>	<b>\$3,362,408</b>	<b>\$1,292,592</b>

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

<b>Year Ending June 30,</b>	<b>Governmental Funds</b>			<b>Business Type Activities</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	713,388	58,499	\$771,887	336,613	24,428	\$361,041
2025	693,005	45,698	\$738,703	326,995	18,068	\$345,063
2026	675,699	33,264	\$708,963	319,301	11,888	\$331,189
2027	660,316	21,135	\$681,451	309,683	5,852	\$315,535
2028	160,000	9,300	\$169,300			
2029-2031	460,000	13,725	\$473,725			
<b>Total</b>	<b>\$3,362,408</b>	<b>\$181,621</b>	<b>\$3,544,029</b>	<b>\$1,292,592</b>	<b>\$60,236</b>	<b>\$1,352,828</b>

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:

<b>Public Sales General Fund Obligation Bonds</b>	<b>Governmental Funds</b>
Serviced by the City:	
2016 Street and Pedestrian Transportation, Series 2016, \$8,000,000 original issue due in annual installments of \$400,000 through 2036	5,600,000
2020 Street and Pedestrian Transportation, Series 2020, \$7,850,000 original issue due in annual installments of \$350,000 to \$400,000 through 2036	6,650,000
General Obligation Bonds	12,250,000
Add unamortized premium	1,252,881
<b>Total Public Sales General Obligation Bonds</b>	<b>\$13,502,881</b>

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

Year Ending June 30,	Governmental Funds		
	Principal	Interest	Total
2024	800,000	463,813	\$1,263,813
2025	800,000	423,813	1,223,813
2026	800,000	383,813	1,183,813
2027	800,000	343,813	1,143,813
2028	800,000	305,813	1,105,813
2029-2033	4,000,000	1,001,063	5,001,063
2034-2038	3,550,000	338,063	3,888,063
2039-2043	700,000	26,250	726,250
Total	\$12,250,000	\$3,286,441	\$15,536,441

### c. Limited Obligation Bonds

Unless otherwise noted below, the Governmental limited obligation bond 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 City's limited obligation bonds is as follows:

<b>Direct Placement Special Obligation Revenue Bonds</b>	<b>Governmental Funds</b>
Serviced by the City:	
2021 Limited Obligation Bonds \$14,545,000 original issue for Fire-Rescue Construction and Park Improvements of \$725,000 to \$740,000 through 2042, plus interest at 5%.	13,820,000
Total Direct Placement Special Obligation Bonds	<u>\$13,820,000</u>

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

Year Ending June 30,	Governmental Funds		
	Principal	Interest	Total
2024	\$725,000	\$552,150	\$1,277,150
2025	725,000	515,900	1,240,900
2026	720,000	479,650	1,199,650
2027	725,000	443,650	1,168,650
2028	720,000	407,400	1,127,400
2029-2033	3,630,000	1,503,050	5,133,050
2034-2038	3,685,000	772,750	4,457,750
2039-2043	2,890,000	216,750	3,106,750
Total	\$13,820,000	\$4,891,300	\$18,711,300

### d. 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:	
2015 Refunding Special Obligation Revenue Bonds \$4,200,000 original issue for additional improvements to the Exhibit Hall, due in annual installments of \$20,000 to \$663,398 through 2027, plus interest at 3.25%.	<u>2,530,910</u>
Total Direct Placement Special Obligation Bonds	<u><u>\$2,530,910</u></u>

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	602,704	56,945	659,649
2025	622,292	43,385	665,677
2026	642,516	29,383	671,899
2027	663,398	14,927	678,325
Total	<u>\$2,530,910</u>	<u>\$144,640</u>	<u>\$2,675,550</u>

The City has pledged net occupancy tax revenues and other replacement revenues to repay these direct placement revenue bonds, of which \$2,530,910 is currently outstanding. 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 \$2,675,550.

**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.	<u>\$25,846,529</u>
Total Other Debt	<u><u>\$25,846,529</u></u>

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

<b>Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	1,501,984	217,037	\$1,719,021
2025	1,501,984	204,270	1,706,254
2026	1,501,984	191,503	1,693,487
2027	1,501,984	178,736	1,680,720
2028	1,501,984	165,969	1,667,953
2029-2033	7,509,921	638,343	8,148,264
2034-2038	7,509,921	319,172	7,829,093
2039-2040	3,316,767	38,301	3,355,068
<b>Total</b>	<b>\$25,846,529</b>	<b>\$1,953,331</b>	<b>\$27,799,860</b>

## 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, 2023:

<b>Governmental Activities</b>	<b>Balance June 30, 2022</b>	<b>Additions</b>	<b>Retirements</b>	<b>Balance June 30, 2023</b>	<b>Current Portion</b>
Public sales general obligation bonds	\$13,050,000	\$ -	\$800,000	\$12,250,000	\$800,000
Direct Placement:					
General obligation bonds	4,058,102	-	725,694	3,332,408	713,388
Limited obligation bonds	14,545,000	-	725,000	13,820,000	725,000
Special obligation revenue	3,114,642	-	583,732	2,530,910	602,704
Installment purchase contracts	7,869,756	2,500,000	2,039,694	8,330,062	2,277,303
Leases	56,405	62,386	37,293	81,498	41,002
Subscriptions	-	2,037,935	-	2,037,935	-
Net pension liability (LGERS)	8,290,390	22,245,139	-	30,535,529	-
Total pension liability (LEO)	11,178,551	-	1,462,285	9,716,266	-
Net OPEB liability	55,939,970	-	4,500,080	51,439,890	-
Compensated absences	3,936,136	-	26,051	3,910,085	2,737,060
	<u>122,038,952</u>	<u>26,845,460</u>	<u>10,899,829</u>	<u>137,984,583</u>	
Add unamortized premium	3,467,382	-	188,848	3,278,534	
Total governmental	<u>\$125,506,334</u>	<u>\$26,845,460</u>	<u>\$11,088,677</u>	<u>\$141,263,117</u>	<u>\$7,896,457</u>
<b>Business-Type Activities</b>					
Managed by the City Direct Placement:					
General obligation bonds	\$1,636,898	\$ -	\$344,306	\$1,292,592	\$336,613
Installment purchase contracts	60,714	-	60,714	-	-
Leases	119,730	-	62,260	57,470	57,470
Notes Payable	27,035,715	-	1,189,186	25,846,529	1,501,984
Net pension liability (LGERS)	802,915	2,493,200	-	3,296,115	-
Net OPEB liability	5,525,770	120,001	-	5,645,771	-
Compensated absences	246,228	21,347	-	267,575	193,094
Total	<u>35,427,970</u>	<u>2,634,548</u>	<u>1,656,466</u>	<u>36,406,052</u>	<u>2,089,161</u>
Managed by the Commission					
Direct placement revenue bonds	-	-	-	-	-
Public sales revenue bonds	127,200,001	23,670,000	5,625,001	145,245,000	5,765,000
Other types of debt	40,558,569	4,422,743	319,272	44,662,040	2,352,720
Discounts and premiums	19,421,024	1,892,945	1,165,491	20,148,478	-
Leases	355,688	65,288	156,576	264,400	138,403
Subscriptions	-	744,441	197,498	546,943	192,300
Compensated absences	2,934,878	2,548,643	2,304,227	3,179,294	2,305,079
Net OPEB liability	33,798,337	117,725	-	33,916,062	-
Net pension liability (LGERS)	6,356,908	17,346,115	-	23,703,023	-
Total long-term liabilities	<u>230,625,405</u>	<u>50,807,900</u>	<u>9,768,065</u>	<u>271,665,240</u>	<u>10,753,502</u>
Total business-type	<u>\$266,053,375</u>	<u>\$53,442,448</u>	<u>\$11,424,531</u>	<u>\$308,071,292</u>	<u>\$12,842,663</u>

The net pension and OPEB 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.

## 7. Long-Term Obligations (Commission)

### a. Leases

The Utilities Commission has executed various lease agreements that qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

In a previous year, the Utilities Commission entered into an agreement to lease office space on Red Banks Road. The initial term of the lease was 39 months with a term of 15 months remaining at June 30, 2023. The Utilities Commission was required to make monthly payments of \$6,270 during fiscal year ended June 30, 2023. The lease has an interest rate of 3.00%. The liability balance as of June 30, 2023 is \$92,195.

In a previous year, the Utilities Commission entered into an agreement to lease two liquid oxygen tanks for use at the water treatment plant. The initial term of the lease was 37 months with a term of 13 months remaining at June 30, 2023. Under the lease agreement, the Utilities Commission is required to make annual payments of \$46,071. The lease has an interest rate of 3.00%. The liability balance as of June 30, 2023 is \$88,155.

During the current fiscal year, the Utilities Commission entered into agreements to lease two postage machines. The initial terms of the leases are for 60 months with a term of 52 months remaining at June 30, 2023. Under the lease agreements, the Utilities Commission is required to make quarterly payments of \$548 per machine. The combined liability balance for these two leases as of June 30, 2023 is \$18,389.

The Utilities Commission has entered into several agreements to lease copiers. The terms vary by individual lease, but all carry an interest rate of 3.00%. The details of the individual leases are shown in the table below.

Lease	Monthly Payment	Initial Term	Term at 6/30/2023	6/30/2023 Liability
Gas Administration	\$110	60 months	43 months	\$4,478
Water Resources 1 <sup>st</sup> Floor	141	60 months	36 months	4,853
Water Treatment Plant-Evans	160	60 months	36 months	5,486
Water Resources 2 <sup>nd</sup> Floor	233	51 months	27 months	6,071
Wastewater Treatment Plant	166	60 months	37 months	5,846
Fleet	101	60 months	58 months	5,464
Legal	110	60 months	57 months	5,841
Human Resources	379	60 months	50 months	17,778
Customer Relations	102	60 months	48 months	4,617
Water Treatment Plant-Veale	111	60 months	50 months	5,227

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

Year Ending June 30	Principal	Interest	Total
2024	\$138,403	\$6,643	\$145,046
2025	85,598	3,019	88,617
2026	20,709	931	21,640
2027	14,568	395	14,963
2028	5,122	54	5,176
Totals	\$264,400	\$11,042	\$275,442

## b. Subscriptions

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

Subscriptions in effect at the end of the prior fiscal year had their assets and liabilities initially measured at the present value of the subscription payments expected over the remaining term of the Subscription after July 1, 2022.

The Commission has a subscription agreement for the use of DebtBook Services software. The initial term of the agreement was 35 months with 12 months remaining at June 30, 2023. An initial subscription liability was recorded in the amount of \$14,386. The liability balance as of June 30, 2023 was \$7,281. The Commission is required to make fixed annual payments of \$7,500 and the subscription has an interest rate of 3.0%. The value of the right to use asset as of June 30, 2023 was \$14,386 with accumulated amortization of \$4,932, which is included with the Subscription Class activities in the table found below.

The Commission has a subscription agreement for the use of Meridian Integration LLC KeepTRAC System software. The initial term of the agreement was 60 months with 31 months remaining at June 30, 2023. An initial subscription liability was recorded in the amount of \$373,002. The liability balance as of June 30, 2023 was \$272,609. The Commission is required to make fixed monthly payments of \$9,150 and the subscription has an interest rate of 3.0%. The value of the right to use asset as of June 30, 2023 was \$373,002 with accumulated amortization of \$106,572, which is included with the Subscription Class activities in the table found below.

The Commission has a subscription agreement for the use of Schneider Electric Smart Grid Solutions software. The initial term of the agreement was 36 months with 25 months remaining at June 30, 2023. An initial subscription liability was recorded in the amount of \$357,053. The liability balance as of June 30, 2023 was \$267,053. The Commission was required to make an annual payment of \$90,000 in fiscal year 2023 and the subscription has an interest rate of 3.0%. The value of the right to use asset as of June 30, 2023 was \$357,053 with accumulated amortization of \$89,263, which is included with the Subscription Class activities in the table found below.

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

Year Ending June 30	Principal	Interest	Total
2024	\$192,300	\$15,000	\$207,300
2025	195,112	9,188	204,300
2026	159,531	3,519	163,050
Totals	\$546,943	\$27,707	\$574,650

**c. Debt Serviced by the Electric Fund**



## 1. Revenue Bonds

The Utilities Commission issues revenue bonds to provide financing for extension, expansion, and improvement projects within the Electric Fund. The Utilities 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 \$69,263,729 is currently outstanding. The bonds are payable solely from net revenues and are payable through fiscal year 2047. 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 26% of net revenues, or less than 3% of total revenues. The total principal and interest remaining to be paid on the bonds is \$107,271,494. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$4,294,564 \$13,635,359, and \$175,148,614, respectively. Current outstanding revenue bond issues are all public sales revenue bonds.

Public sales revenue bonds outstanding at year end for the Utilities Commission's Electric Fund 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	\$20,252,119
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	471,053
Series 2016 Revenue Bonds with an original issue amount of \$3,470,208, 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	2,645,124
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	26,201,481
Series 2021A Revenue Bonds with an original issue amount of \$2,288,901, issued to refund the 2013 refunding revenue bonds, due in annual installments with an interest rate of 5.0%, final payment will be made on May 1, 2027	1,558,952
Series 2022 Revenue Bonds with an original issue amount of \$18,135,000, due in annual installments with varying interest rates from 4.0% to 5.0%, final payment will be made on December 1, 2046	18,135,000
	<u>\$69,263,729</u>

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

Year Ending June 30	Principal	Interest	Total
2024	\$1,765,943	\$3,013,083	\$4,779,026
2025	2,320,003	2,912,254	5,232,257
2026	2,466,505	2,794,083	5,260,588
2027	2,464,815	2,667,904	5,132,719

Year Ending June 30	Principal	Interest	Total
2028	2,190,463	2,542,367	4,732,830
2029-2033	13,104,745	10,889,812	23,994,557
2034-2038	15,197,791	7,592,561	22,790,352
2039-2043	17,811,240	4,654,389	22,465,629
2044-2047	11,942,224	941,312	12,883,536
Totals	\$69,263,729	\$38,007,765	\$107,271,494

## 2. *Purchased Power Contract*

The Utilities 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, 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 Utilities 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 Utilities Commission's share of NCEMPA's outstanding debt at June 30, 2023 was approximately \$19.6 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 Utilities Commission's financial statements.

### **b. Debt Serviced by the Water Fund**

#### 1. *Revenue Bonds*

The Utilities Commission issues revenue bonds to provide financing for extension, expansion, and improvement projects within the Water Fund. The Utilities 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 \$20,734,623 is currently outstanding. The bonds are payable solely from net revenues and are payable through fiscal year 2047. 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 34% of net revenues, or less than 9% of total revenues. The total principal and interest remaining to be paid on the bonds is \$29,796,843. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$1,974,625, \$5,922,149, and \$25,617,828, respectively. Current outstanding revenue bond issues are all public sales revenue bonds.

Public sales revenue bonds outstanding at year end for the Utilities 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	\$2,003,047
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	244,933
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	5,771,156
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	7,936,852
Series 2021A Revenue Bonds with an original issue amount of \$1,433,497, issued to refund the Drinking Water State Revolving Fund (DWSRF) loan #H-LRX-F-04-991, due in annual installments with an interest rate of 5.0%, final payment will be made on May 1, 2030	1,136,547
Series 2021A Revenue Bonds with an original issue amount of \$25,175, issued to refund the DWSRF loan #H-LRX-R-DW-991, due in annual installments with an interest rate of 5.0%, final payment will be made on May 1, 2030	19,959
Series 2021A Revenue Bonds with an original issue amount of \$226,450, issued to refund the DWSRF loan # H-LRX-R-DW-1074, due in annual installments with varying interest rates from 4.0% to 5.0%, final payment will be made on May 1, 2033	191,550
Series 2021A Revenue Bonds with an original issue amount of \$101,271, issued to refund the DWSRF loan #DEH-1108 due in annual installments with an interest rate of 5.0%, final payment will be made on May 1, 2030	80,034
Series 2021A Revenue Bonds with an original issue amount of \$634,249, issued to refund the DWSRF loan #DEH-1074 schedule B, due in annual installments with varying interest rates from 4.0% to 5.0%, final payment will be made on May 1, 2033	539,352
Series 2021A Revenue Bonds with an original issue amount of \$1,919,268, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on May 1, 2041	1,636,193
Series 2022 Revenue Bonds with an original issue amount of \$1,175,000, due in annual installments with varying interest rates from 4.0% to 5.0%, final payment will be made on December 1, 2046	1,175,000
	\$20,734,623

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

Year Ending June 30	Principal	Interest	Total
2024	\$991,688	\$931,926	\$1,923,614
2025	1,070,863	881,127	1,951,990
2026	1,131,724	827,078	1,958,802
2027	1,106,510	769,817	1,876,327

Year Ending June 30	Principal	Interest	Total
2028	1,162,840	713,860	1,876,700
2029-2033	6,176,900	2,656,181	8,833,081
2034-2038	3,840,671	1,383,399	5,224,070
2039-2043	3,503,783	784,735	4,288,518
2044-2047	1,749,644	114,097	1,863,741
Totals	\$20,734,623	\$9,062,220	\$29,796,843

## 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 (DWSRF) 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 Utilities 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 Utilities Commission's drinking water loans outstanding at year end are as follows:

<u>Description</u>	<u>Amount</u>
1.53% DWSRF 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	\$882,344
1.110% DWSRF loan issued in 2021 to finance improvements to the water treatment plant, \$40,000,000 authorized and \$39,728,660 drawn to date, due in annual installments of \$1,986,433 with a final payment on May 1, 2043	39,728,660
1.11% DWSRF loan issued in 2022 to finance the watermain rehabilitation program- phase II, \$940,311 authorized and \$940,311 drawn to date, due in annual installments of \$47,015.55 with a final payment on May 1, 2043	940,311
	\$41,551,315

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

Year Ending June 30	Principal	Interest	Total
2024	\$2,092,271	\$274,075	\$2,366,346
2025	\$2,092,271	441,454	2,533,725
2026	\$2,092,271	417,983	2,510,254
2027	\$2,092,271	394,512	2,486,783

Year Ending June 30	Principal	Interest	Total
2028	\$2,092,271	371,040	2,463,311
2029-2033	10,461,358	1,503,133	11,964,491
2034-2038	10,461,358	916,351	11,377,709
2039-2043	10,167,244	338,569	10,505,813
Totals	\$41,551,315	\$4,657,117	\$46,208,432

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 Environmental Quality 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 0% interest loans through the State Revolving Fund program. The promissory notes for the Utilities 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 Utilities Commission's ARRA loans outstanding at year end are as follows:

<u>Description</u>	<u>Amount</u>
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	\$514,876
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	8,956
	\$523,832

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

Year Ending June 30	Principal	Interest	Total
2024	\$74,673	\$ -	\$74,673
2025	74,673	-	74,673
2026	74,673	-	74,673
2027	74,673	-	74,673
2028	74,673	-	74,673
2029-2031	150,467	-	150,467
Totals	\$523,832	\$ -	\$523,832

**c. Debt Serviced by the Sewer Fund**

## 1. Revenue Bonds

The Utilities Commission issues revenue bonds to provide financing for extension, expansion, and improvement projects within the Sewer Fund. The Utilities 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 \$38,909,876 is currently outstanding. The bonds are payable solely from net revenues and are payable through fiscal year 2047. 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 63% of net revenues, or less than 18% of total revenues. The total principal and interest remaining to be paid on the bonds is \$53,973,774. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$4,196,762, \$6,840,866, and \$25,187,279, respectively. Current outstanding revenue bond issues are all public sales revenue bonds.

Public sales revenue bonds outstanding at year end for the Utilities 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	\$4,214,072
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	729,014
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	5,268,103
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	6,576,213
Series 2021A Revenue Bonds with an original issue amount of \$5,171,136, issued to refund the Clean Water State Revolving Fund (CWSRF) Loan #CS370487-06, due in annual installments with an interest rate of 5.0%, final payment will be made on May 1, 2030	4,087,643
Series 2021A Revenue Bonds with an original issue amount of \$4,003,742, issued to refund the CWSRF Loan #CS370487-08, due in annual installments with varying interest rates from 4.0% to 5.0%, final payment will be made on May 1, 2032	3,327,741
Series 2021A Revenue Bonds with an original issue amount of \$6,712,369, issued to refund the CWSRF Loan #CS370487-07, due in annual installments with varying interest rates from 4.0% to 5.0%, final payment will be made on May 1, 2033	5,680,623
Series 2021A Revenue Bonds with an original issue amount of \$4,023,727, issued to refund the CWSRF Loan #CS370487-11, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on May 1, 2037	3,588,283
Series 2021A Revenue Bonds with an original issue amount of \$1,264,719, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on May 1, 2041	1,078,184

<u>Description</u>	<u>Amount</u>
Series 2022 Revenue Bonds with an original issue amount of \$4,360,000, due in annual installments with varying interest rates from 4.0% to 5.0%, final payment will be made on December 1, 2046	4,360,000
	\$38,909,876

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

Year Ending June 30	Principal	Interest	Total
2024	\$2,518,503	\$1,784,423	\$4,302,926
2025	2,704,817	1,655,489	4,360,306
2026	2,803,904	1,519,703	4,323,607
2027	2,636,748	1,378,824	4,015,572
2028	2,725,634	1,246,317	3,971,951
2029-2033	12,745,023	4,190,403	16,935,426
2034-2038	5,573,987	1,963,599	7,537,586
2039-2043	4,414,762	1,106,687	5,521,449
2044-2047	2,786,498	218,453	3,004,951
Totals	\$38,909,876	\$15,063,898	\$53,973,774

## 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 nonpoint 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 twenty years. The promissory notes for the Utilities Commission's CWSRF loans contain a provision that may require prepayment in whole and further commitments withdrawn if the Utilities 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 loans are payable solely from the revenues of the project or benefited systems, or other available funds.

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

<u>Description</u>	<u>Amount</u>
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	\$ 1,298,328
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	1,288,565
	\$ 2,586,893



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

Year Ending June 30	Principal	Interest	Total
2024	\$185,776	\$21,390	\$207,166
2025	185,776	19,964	205,740
2026	185,776	18,538	204,314
2027	185,776	17,112	202,888
2028	185,776	15,686	201,462
2029-2033	928,878	57,040	985,918
2034-2038	729,135	21,390	750,525
Totals	\$2,586,893	\$171,120	\$2,758,013

**d. Debt Serviced by the Gas Fund**

*1. Revenue Bonds*

The Utilities Commission issues revenue bonds to provide financing for extension, expansion, and improvement projects within the Gas Fund. The Utilities 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 \$16,336,772 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 4% of total revenues. The total principal and interest remaining to be paid on the bonds is \$24,784,962. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$1,164,633, \$5,872,775, and \$47,245,311, respectively. Current outstanding revenue bond issues are all public sales revenue bonds.

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

<u>Description</u>	<u>Amount</u>
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	\$ 9,155,764
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	485,617
Series 2019 Revenue Bonds with an original issue amount of \$6,535,458, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on August 1, 2044	6,320,454
Series 2021A Revenue Bonds with an original issue amount of \$550,495, issued to refund the 2013 refunding revenue bonds, due in annual installments with an interest rate of 5.0%, final payment will be made on May 1, 2027	374,937
	\$16,336,772



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

Year Ending June 30	Principal	Interest	Total
2024	\$488,866	\$682,680	\$1,171,546
2025	519,317	657,867	1,177,184
2026	552,867	631,498	1,184,365
2027	591,927	603,317	1,195,244
2028	526,063	573,318	1,099,381
2029-2033	3,143,332	2,431,766	5,575,098
2034-2038	3,697,551	1,659,379	5,356,930
2039-2043	4,270,215	1,028,102	5,298,317
2044-2046	2,546,634	180,263	2,726,897
<b>Totals</b>	<b>\$16,336,772</b>	<b>\$8,448,190</b>	<b>\$24,784,962</b>

## 2. Rate Covenants (Commission)

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 Utilities 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, 2023 is as follows:

Operating revenues	\$268,422,839
Operating expenses <sup>1</sup>	<u>(236,151,690)</u>
Operating income	32,271,149
Non-operating revenues (expenses)	
Miscellaneous revenues <sup>2</sup>	2,855,975
Interest income <sup>2</sup>	1,920,218
Other non-operating expenses	<u>(28)</u>
Income available for debt service	\$37,047,314
Parity debt service (principal and interest paid)	\$11,724,654
Parity debt service coverage ratio	316%
Subordinate and other debt service (principal and interest paid)	\$356,488
Subordinate and other debt service coverage ratio	7103%

<sup>1</sup>In accordance with rate covenants, operating expenses excludes depreciation and amortization expense of \$30,558,090; OPEB income of \$1,198,700; and pension expense of \$2,365,853.

<sup>2</sup>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, 2023 consists of the following:

Payable Fund

Receivable Fund	General Fund	Nonmajor Governmental	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Nonmajor Enterprise	Internal Service Funds	Total
General Fund	\$ -	\$2,430,293	\$94,428	\$44,826	\$40,247	\$31,209	\$718,249	\$114,756	\$3,474,008
Nonmajor Governmental	-	-	-	-	-	-	-	-	-
Nonmajor Enterprise	-	-	-	-	-	-	-	-	-
Internal Service Funds	-	-	16,848	9,982	8,963	6,950	-	-	42,743
<b>Total</b>	<b>\$ -</b>	<b>\$2,430,293</b>	<b>\$111,276</b>	<b>\$54,808</b>	<b>\$49,210</b>	<b>\$38,159</b>	<b>\$718,249</b>	<b>\$114,756</b>	<b>\$3,516,751</b>

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

## 2. Interfund transfers

Transfers to/from other funds at June 30, 2023 consists of the following:

Governmental activities:	
From the General Fund to the Central Grants Fund for local match to Shotspotter Project	\$125,000
From the General Fund to the Central Grants Fund for additional funding needed for COVID-19 project	43,157
From the Capital Reserve Fund to the Engineering Capital Project Fund for the Arlington Improvements project	1,250,000
From the General Fund to the Public Works Capital Projects Fund for the Street Lights/Cameras Project	250,000
From the Recreation and Parks Capital Projects Fund to the Fire Capital Projects Fund to reallocate debt funding.	398,699
From the Public Works Capital Projects Fund to the Engineering Capital Projects Fund for the Employee Parking Lot project	754,253
From the Public Works Capital Projects Fund to the Engineering Capital Projects Fund for the Pavement Management Program	868,269
From the General Fund to the Public Works Capital Projects Fund for the Street Improvement Program	2,800,000
From the General Fund to the Engineering Capital Projects Fund for the Employee Parking Lot project	118,758
From the General Fund to the Community Development and HOME Fund for grant local match	338,556
From the General Fund to the Debt Service Fund for debt service payments	5,637,664
From the General Fund to the Sheppard Memorial Library Fund for share of operating funding	1,408,535
From the General Fund to the Fleet Services Fund for increased fleet maintenance costs	504,557
From the General Fund to the Fire Capital Project fund for Public Safety Radio Equipment	98,649
From the General Fund to the Facilities Improvement Program for noncapital projects	1,200,000
From the General Fund to the Greenways Fund for the South Tar River Greenway project	12,234
From the General Fund to the Recreation and Parks Capital Projects Fund for Wildwood Park Development	900,000
From the General Fund to the Transit Fund for local match	771,894
From the General Fund to the Public Works Capital Projects Fund for Parking Deck Safety project	5,000
From the General Fund to the Police Capital Project Fund for Public Safety Annex Generator project	200,000
From the Facilities Improvements Fund to the Central Grants Fund for local match to the Environmental Enhancement grant project	62,660
From the Sanitation Fund to the Fleet Services fund for increased fleet maintenance costs	250,010
From the Occupancy Tax Fund to the Public Works Capital Project Fund for Convention Center Mall Renovation	40,000
From the General Fund to the Engineering Capital Projects Fund for the BUILD Grant Project	600,000
Subtotal Transfers Within Governmental Activities	<u>18,637,896</u>
Business-type activities:	
Transfers to Governmental Activities	
From the Stormwater Fund to the Fleet Services Fund for increased fleet maintenance costs	55,175
From the Stormwater Fund to the Public Works Capital Project Fund for 10th St Connector	996,100
From the Stormwater Fund to the Engineering Capital Project Fund for Employee Parking Lot	107,500
From the Sanitation Fund to the Fleet fund for prior year funding deficit	250,010
From the Electric Fund to the General Fund	5,388,913
From the Gas Fund to the General Fund	1,702,516
Subtotal Transfers to Governmental Activities	<u>8,500,214</u>
Total transfers	<u>\$27,138,110</u>

## D. Net Investment in Capital Assets

At June 30, 2023, net investment in capital assets was computed as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Capital assets, net of accumulated depreciation	\$246,412,206	\$587,138,383
Less capital debt:		
Gross debt	45,691,347	238,376,251
Less:		
Unamortized bond refunding charges	(155,262)	(922,642)
Unexpended debt proceeds	(4,980,542)	(11,563,309)
Net capital debt	<u>40,555,543</u>	<u>225,890,300</u>
Capital assets, net of related debt	<u>\$205,856,663</u>	<u>\$361,248,083</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.

The Utilities 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, 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 Utilities 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 Utilities Commission's share of NCEMPA's outstanding debt at June 30, 2023 was approximately \$19.6 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 Utilities Commission's financial statements.

## 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 \$171,725 to the Airport Authority during the fiscal year ended June 30, 2023. The City has a 50% equity interest in the joint venture; therefore, an equity interest of \$30,195,154 has been reflected in the government-wide financial statements at June 30, 2023. 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**

### **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, 2023, the City and the Commission had no arbitrage liabilities.

### **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. A request was approved effective November 1, 2021, to increase the MDQ to 22,000 dekatherms, resulting in an increase to the annual payment of \$369,852. The contract was amended effective May 18, 2022, to allow the Utilities Commission to receive an additional 2,000 dekatherms per day through a distinct annual agreement effective July 1, 2022, between the Utilities Commission and the City of Wilson for a monthly demand charge of \$29,610.66. 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. The Utilities Commission typically enters into contracts whereby it purchases and fixes a portion of its gas supply in advance. At June 30, 2022, the Utilities Commission had commitments to take delivery on a total of 1,110,000 dekatherms at fixed prices ranging from \$4.594 to \$10.683 per dekatherm and in varying amounts from July 2022 through June 2024. In addition, the Utilities Commission had commitments to take delivery on 2,262,300 additional dekatherms during the period July 2022 through June 2024 for which there is not yet a fixed price.

The Utilities Commission entered a 15-year agreement with Patriots Energy Group (PEG), effective February 1, 2007 to purchase 20% 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. Deliveries under this agreement ended January 31, 2022.

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% 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 remarking 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% 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 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 January 9, 2024, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.





# Required Supplementary Information

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Annual Comprehensive Financial Report  
(ACFR) – Fiscal Year Ending June 30, 2023

**CITY OF GREENVILLE, NORTH CAROLINA**  
**SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY**  
**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE**  
**REQUIRED SUPPLEMENTARY INFORMATION**

**Schedule A-1**

LAST SEVEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017
Beginning balance	\$ 11,178,551	\$ 11,329,670	\$ 8,202,185	\$ 7,938,326	\$ 8,183,588	\$ 7,771,117	\$ 7,753,711
Service cost	518,350	541,030	338,444	301,687	320,485	288,930	307,042
Interest on the total pension liability	243,512	213,292	258,548	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	108,482	(74,976)	126,730	(44,369)	(65,436)	(170,442)	-
Changes of assumptions or other inputs	(1,621,065)	(273,962)	2,946,271	228,465	(295,308)	457,133	(183,415)
Benefit payments	(711,564)	(556,503)	(542,508)	(501,747)	(456,393)	(454,346)	(376,311)
Other changes	-	-	-	-	-	-	-
Ending balance of the total pension liability	<u>\$ 9,716,266</u>	<u>\$ 11,178,551</u>	<u>\$ 11,329,670</u>	<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 SEVEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017
Total pension liability	\$ 9,716,266	\$ 11,178,551	\$ 11,329,670	\$ 8,202,185	\$ 7,938,326	\$ 8,183,588	\$ 7,771,117
Covered employee payroll	11,937,595	11,715,561	11,725,672	11,362,564	11,017,389	11,182,894	11,278,574
Total pension liability as a percentage of covered payroll	81.39%	95.42%	96.62%	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 of GAAP

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

**CITY OF GREENVILLE, NORTH CAROLINA**

**Schedule A-3**

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

LAST SEVEN FISCAL YEARS\*

	2023	2022	2021	2020	2019	2018	2017
<b>Total OPEB Liability:</b>							
Service cost	\$ 1,014,528	\$ 2,418,501	\$ 975,391	\$ 942,406	\$ 1,079,252	\$ 1,078,017	\$ 1,007,493
Interest	4,789,027	3,696,634	3,862,964	3,665,850	3,943,651	3,727,873	3,559,897
Changes of benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	(7,769,885)	(942,286)	8,647,895	688,970	(7,266,807)	949,354	-
Changes of assumptions	1,528,880	(40,035,674)	39,260,834	-	778,315	-	-
Benefit payments	<u>(2,380,582)</u>	<u>(2,320,975)</u>	<u>(2,288,605)</u>	<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	(2,818,032)	(37,183,800)	50,458,479	2,629,616	(3,809,427)	2,764,611	3,171,978
Total OPEB liability, beginning of year	<u>69,584,832</u>	<u>106,768,632</u>	<u>56,310,153</u>	<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>66,766,800</u>	<u>69,584,832</u>	<u>106,768,632</u>	<u>56,310,153</u>	<u>53,680,537</u>	<u>57,489,964</u>	<u>54,725,353</u>
<b>Plan Fiduciary Net Position:</b>							
Contributions - employer	3,080,582	2,920,975	3,088,605	3,367,610	2,943,838	3,490,633	1,895,412
Net investment income	862,047	(406,699)	664,006	156,899	189,904	181,481	286,573
Benefit payments	(2,380,582)	(2,320,975)	(2,288,605)	(2,667,610)	(2,343,838)	(2,990,633)	(1,395,412)
Administrative expense	-	-	-	-	-	-	-
Net change in plan fiduciary net position	1,562,047	193,301	1,464,006	856,899	789,904	681,481	786,573
Plan fiduciary net position, beginning of year	<u>8,119,092</u>	<u>7,925,791</u>	<u>6,461,785</u>	<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>9,681,139</u>	<u>8,119,092</u>	<u>7,925,791</u>	<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>\$ 57,085,661</u>	<u>\$ 61,465,740</u>	<u>\$ 98,842,841</u>	<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	14.50%	11.67%	7.42%	11.48%	10.44%	8.38%	7.55%
Covered payroll	\$ 39,668,915	\$ 37,258,144	\$ 37,258,144	\$ 37,679,335	\$ 37,679,335	\$ 38,523,575	\$ 38,523,575
City's net OPEB liability as a percentage of payroll	143.91%	164.97%	265.29%	132.30%	127.59%	136.73%	131.33%

Note: Information is not available prior to 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 EIGHT FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 8,463,175	\$ 8,463,175	\$ 4,624,269	\$ 4,624,269	\$ 4,751,289	\$ 4,751,289	\$ 3,694,097	\$ 3,207,785
Contributions in relation to the actuarially determined contribution	3,080,582	2,920,975	3,088,605	3,367,610	2,943,838	3,490,633	1,895,412	3,081,744
Contribution deficiency (excess)	\$ 5,382,593	\$ 5,542,200	\$ 1,535,664	\$ 1,256,659	\$ 1,807,451	\$ 1,260,656	\$ 1,798,685	\$ 126,041
Covered payroll	\$ 39,668,915	\$ 37,258,144	\$ 37,258,144	\$ 37,679,335	\$ 37,679,335	\$ 38,523,575	\$ 38,523,575	\$ 38,523,575
Contributions as a percentage of covered payroll	7.77%	7.84%	8.29%	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, 2022 and prior years were used to determine contribution amount reported in the schedule.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of pay
Amortization period	25 years, closed
Asset valuation method	Market value of assets
Inflation	2.50%
Real wage growth	0.75%
Wage inflation	3.25%
Salary increases, including wage inflation:	
General Employees	3.50% - 8.41%
Firefighters	3.50% - 8.15%
Law Enforcement Officers	3.50% - 7.90%
Long-term investment rate of return, net of OPEB plan investment expense, including price inflation	7.00%
Healthcare cost trends:	
Pre-Medicare	7.00% for 2022 decreasing to an ultimate rate of 4.50% by 2032
Medicare	5.125% for 2022 decreasing to an ultimate rate of 4.50% by 2025
Mortality	Mortality rates were based on the Pub 2010 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2019

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

LAST SEVEN FISCAL YEARS

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	2023	2022	2021	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expense	9.69%	-5.06%	9.23%	2.60%	3.65%	7.00%	7.00%

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

**CITY OF GREENVILLE, NORTH CAROLINA**

**Schedule A-6**

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

LAST SEVEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability:							
Service cost	500,325	\$ 484,576	\$ 1,479,356	\$ 1,163,959	\$ 781,098	\$ 1,035,590	\$ 1,146,045
Interest	2,770,751	2,670,692	2,002,347	2,071,547	2,212,486	2,051,825	1,930,674
Changes of benefit terms		-	-	-	-	-	-
Differences between expected and actual experience	(1,050,247)	163,939	2,384,719	863,252	(623,845)	518,960	-
Changes of assumptions	844,904	-	(24,518,333)	6,344,926	11,477,272	(7,046,562)	(3,865,249)
Benefit payments	(1,740,270)	(2,034,331)	(1,815,244)	(2,186,125)	(2,031,176)	(1,692,179)	(1,442,003)
Net change in total OPEB liability	\$ 1,325,463	1,284,876	(20,467,155)	8,257,559	11,815,835	(5,132,366)	(2,230,533)
Total OPEB liability, beginning of year	40,437,581	39,152,706	59,619,861	51,362,302	39,546,467	44,678,833	46,909,366
Total OPEB liability, end of year	41,763,044	40,437,582	39,152,706	59,619,861	51,362,302	39,546,467	44,678,833
Plan Fiduciary Net Position:							
Contributions - employer	2,240,270	2,534,331	2,315,244	2,686,125	2,531,176	2,192,179	1,942,003
Net investment income	707,738	(865,805)	1,247,980	162,374	-	237,188	321,437
Benefit payments	-	-	(1,815,244)	-	206,816	(1,692,179)	(1,442,003)
Administrative expense	(1,740,270)	(2,034,331)	-	(2,186,125)	(2,031,176)	-	-
Net change in plan fiduciary net position	1,207,738	(365,805)	1,747,980	662,374	706,816	737,188	821,437
Plan fiduciary net position, beginning of year	6,639,245	7,005,050	5,257,070	4,594,696	3,887,880	3,150,692	2,329,255
Plan fiduciary net position, end of year	7,846,983	6,639,245	7,005,050	5,257,070	4,594,696	3,887,880	3,150,692
Commission's net OPEB liability - end of year	\$ 33,916,061	\$ 33,798,337	\$ 32,147,656	\$ 54,362,791	\$ 46,767,606	\$ 35,658,587	\$ 41,528,141
Plan fiduciary net position as a percentage of the total OPEB liability	18.79%	16.42%	17.89%	8.82%	8.95%	9.83%	7.05%
Covered payroll	\$ 30,241,075	\$ 30,124,132	\$ 30,124,132	\$ 27,975,147	\$ 27,975,147	\$ 26,006,154	\$ 26,006,154
Commission's net OPEB liability as a percentage of covered payroll	112.15%	112.20%	106.72%	194.33%	167.18%	137.12%	159.69%

Note: Information is not available prior to fiscal year 2017.

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

**Schedule A-7**

LAST EIGHT FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 3,010,121	\$ 3,010,121	\$ 2,690,316	\$ 2,690,316	\$ 2,590,104	\$ 2,590,104	\$ 2,070,367	\$ 2,050,401
Contributions in relation to the actuarially determined contribution	2,240,270	2,534,331	2,315,244	2,686,125	2,531,176	2,192,179	1,942,003	1,553,515
Contribution deficiency (excess)	\$ 769,851	\$ 475,790	\$ 375,072	\$ 4,191	\$ 58,928	\$ 397,925	\$ 128,364	\$ 496,886
Covered payroll	\$ 30,241,075	\$ 30,124,132	\$ 30,124,132	\$ 27,975,147	\$ 27,975,147	\$ 26,006,154	\$ 26,006,154	\$ 24,675,093
Contributions as a percentage of covered payroll	7.41%	8.41%	7.69%	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	26 years, closed
Asset valuation method	Market value of assets
Inflation	2.50%
Real wage growth	0.75%
Wage inflation	3.25%
Salary increases, including wage inflation:	
General Employees	3.25% - 8.41%
Long-term investment rate of return, net of OPEB plan investment expense, including price inflation	7.00%
Healthcare cost trends:	
Pre-Medicare	7.00% for 2020 decreasing to an ultimate rate of 4.50% by 2030
Medicare	5.25% for 2020 decreasing to an ultimate rate of 4.50% by 2024

**CITY OF GREENVILLE, NORTH CAROLINA**

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

**REQUIRED SUPPLEMENTARY INFORMATION**

*LAST TEN FISCAL YEARS*

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	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Annual money-weighted rate of return, net of investment expense	10.66%	-11.63%	21.92%	3.23%	4.67%	6.47%	10.18%	-0.57%	4.19%	13.98%

**CITY OF GREENVILLE, NORTH CAROLINA**

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

*LAST TEN FISCAL YEARS*

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
City's proportion of the net pension liability (asset) (%)	0.59970%	0.59294%	0.64692%	0.65104%	0.63541%	0.66379%	0.67269%	0.70987%	0.73849%	0.75020%
City's proportion of the net pension liability (asset) (\$)	\$ 33,831,644	\$ 9,093,304	\$ 23,117,207	\$ 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	\$ 43,356,962	\$ 40,968,359	\$ 42,712,939	\$ 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	78.03%	22.20%	54.12%	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	84.14%	95.51%	88.61%	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%



**CITY OF GREENVILLE, NORTH CAROLINA**

SCHEDULE OF CONTRIBUTIONS –  
 LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM – CITY  
 REQUIRED SUPPLEMENTARY INFORMATION

LAST TEN FISCAL YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 5,722,182	\$ 5,128,447	\$ 4,313,612	\$ 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>5,722,182</u>	<u>5,128,447</u>	<u>4,313,612</u>	<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)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 45,871,337	\$ 43,356,962	\$ 40,968,359	\$ 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	12.47%	11.83%	10.53%	7.78%	7.90%	7.74%	7.51%	6.93%	7.10%	7.00%

**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 TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the net pension liability (asset) (%)	0.42016%	0.41451%	0.43990%	0.44903%	0.46245%	0.46245%	0.45082%	0.44240%	0.41892%	0.42068%
Proportion of the net pension liability (asset) (\$)	\$ 23,703,023	\$ 6,356,908	\$ 15,719,500	\$ 12,262,658	\$ 10,970,895	\$ 10,970,895	\$ 6,887,281	\$ 9,389,210	\$ 1,880,088	\$ (2,480,943)
Covered payroll	\$ 33,617,651	\$ 32,548,540	\$ 31,832,516	\$ 30,987,547	\$ 30,312,540	\$ 30,312,540	\$ 29,774,064	\$ 26,489,847	\$ 25,315,352	\$ 24,852,254
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	70.51%	19.53%	49.38%	39.57%	36.19%	36.19%	23.13%	35.44%	7.43%	-9.98%
Plan fiduciary net position as a percentage of the total pension liability*	84.14%	95.51%	88.61%	90.86%	91.63%	91.63%	94.18%	91.47%	98.09%	102.64%

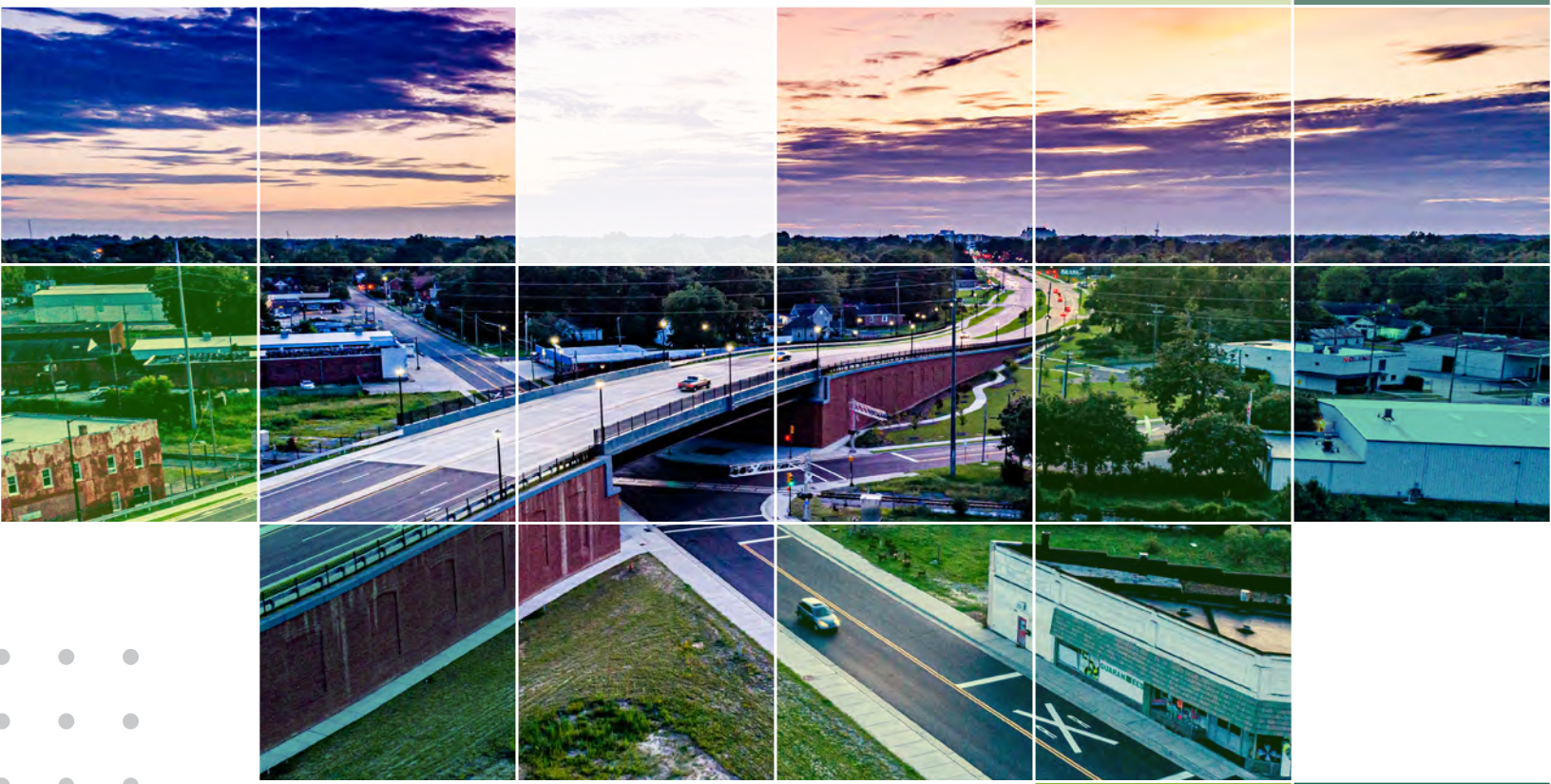
\* This will be the same percentage for all participant employers in the LGERS plan.

**CITY OF GREENVILLE, NORTH CAROLINA**

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

LAST TEN FISCAL YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 4,304,672	\$ 3,818,244	\$ 3,303,677	\$ 2,843,296	\$ 2,481,599	\$ 2,345,337	\$ 2,158,620	\$ 1,782,767	\$ 1,789,817	\$ 1,755,810
Contributions in relation to the contractually required contribution	<u>4,304,672</u>	<u>3,818,244</u>	<u>3,303,677</u>	<u>2,843,296</u>	<u>2,481,599</u>	<u>2,345,337</u>	<u>2,158,620</u>	<u>1,782,767</u>	<u>1,789,817</u>	<u>1,755,810</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commission's covered payroll	\$ 35,575,798	\$ 33,617,651	\$ 32,548,540	\$ 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	12.10%	11.36%	10.15%	8.93%	8.01%	7.74%	7.25%	6.73%	7.07%	7.06%



# Other Supplementary Information

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Annual Comprehensive Financial Report  
(ACFR) – Fiscal Year Ending June 30, 2023

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

**Schedule A-13**

*JUNE 30, 2023*

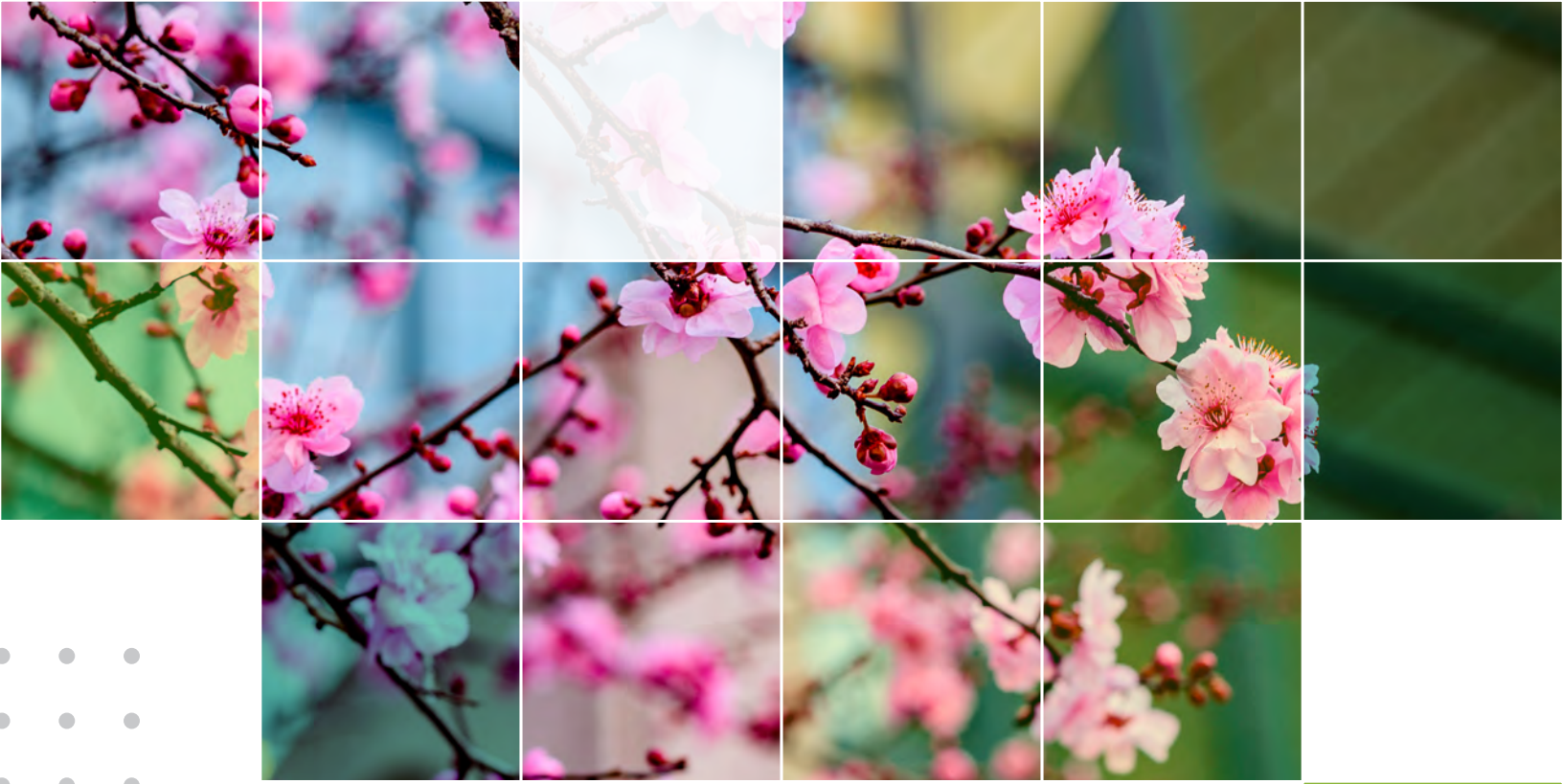
<u>Fiscal Year</u>	<u>Balance June 30, 2022</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Balance June 30, 2023</u>
<b>2023-2022</b>		<b>40,657,014</b>	<b>40,507,725</b>	<b>149,289</b>
<b>2022-2021</b>	61,776		22,698	39,078
2021-2020	35,114	-	9,628	25,486
2020-2019	28,186	-	5,141	23,045
2019-2018	21,142	-	3,994	17,148
2018-2017	21,291	-	3,084	18,207
2017-2016	16,315	-	1,954	14,361
2016-2015	14,466	-	1,556	12,910
2015-2014	10,774	-	1,289	9,485
2014-2013	23,270	-	11,891	11,379
2013-2012	28,930	-	28,930	-
	<u>\$ 261,264</u>	<u>\$ 40,657,014</u>	<u>\$ 40,597,890</u>	<u>320,388</u>
Less Allowance for uncollectible accounts - General Fund				<u>64,322</u>
Ad Valorem Taxes Receivable, Net - General Fund				<u>\$ 256,066</u>
<b>Reconciliation with Revenues:</b>				
Ad Valorem Taxes - General Fund				\$ 40,644,881
Reconciling Items:				
Amount written off per statute				(4,605)
Interest collected				(157,802)
Tax Refunds				-
Discounts				-
Miscellaneous				<u>115,416</u>
Total collections and credits				<u>\$ 40,597,890</u>

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

**Schedule A-14**

YEAR ENDED JUNE 30, 2023

	City-Wide		Total Levy		
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
<b>Original Levy:</b>					
Property taxed at current year's rate	\$ 8,475,661,300	0.4845	\$ 41,064,579	\$ 34,856,555	\$ 6,208,023
Penalties	-		29,663	29,663	-
Total	<u>8,475,661,300</u>		<u>41,094,242</u>	<u>34,886,218</u>	<u>6,208,023</u>
<b>Discoveries:</b>					
Current year taxes	\$ 27,264,396	0.4845	\$ 132,096	132,096	\$ -
Penalties	-		4,860	4,860	-
Total	<u>27,264,396</u>		<u>136,956</u>	<u>136,956</u>	<u>-</u>
Abatements	\$ (118,510,630)		(574,184)	(574,184)	-
Total property valuation	<u>\$ 8,384,415,066</u>				
Net levy			40,657,014	34,448,989	6,208,023
Uncollected taxes as of June 30, 2023			(149,289)	(149,289)	-
Current year's taxes collected			<u>\$ 40,507,725</u>	<u>\$ 34,299,701</u>	<u>\$ 6,208,023</u>
Current levy collection percentage			<u>99.63%</u>	<u>99.57%</u>	<u>100.00%</u>
Prior year collection percentage			<u>99.75%</u>	<u>99.71%</u>	<u>100.00%</u>



# **Governmental Fund Financial Statements**

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Annual Comprehensive Financial Report  
(ACFR) – Fiscal Year Ending June 30, 2023

GENERAL FUND

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

YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2022

	2023		Variance Positive/ Negative	2022
	Budget	Actual		Actual
<b>Revenues:</b>				
Ad Valorem Taxes:				
Taxes		41,086,623		\$ 39,643,212
Interest and penalties		153,186		134,251
Tax discounts		(518,479)		(499,299)
Tax refunds		(76,449)		(156,320)
Total ad valorem taxes	\$ 39,776,459	40,644,881	\$ 868,422	39,121,844
Other Taxes:				
Local option sales tax		11,137,074		10,294,713
Cable TV franchise tax		704,599		730,647
One-half percent sales tax		12,010,062		11,060,425
Medicaid Hold Harmless payment		6,448,630		5,893,472
Occupancy Taxes		-		-
Rental vehicle - gross receipt		254,647		228,982
Total other taxes	28,698,891	30,555,012	1,856,121	28,208,239
Unrestricted Intergovernmental:				
Other unrestricted revenues		68,896		72,115
Utilities franchise tax		6,920,722		6,625,128
Beer and wine tax		419,924		354,087
Total unrestricted intergovernmental	7,285,521	7,409,542	124,021	7,051,330
Restricted Intergovernmental:				
NC DOT traffic control lights		217,693		187,151
Housing Authority Drug Grant		-		22,441
Special Federal, State, and Local Grants		-		-
Section 104F Planning Grant		279,935		168,307
Other restricted intergovernmental revenue		466,876		228,660
Powell Bill - State allocation payment		2,424,387		2,390,611
Total restricted intergovernmental	3,026,723	3,388,891	362,168	2,997,170
Licenses, Permits, and Fees:				
Privilege licenses		-		-
Inspection fees		1,850,210		1,696,712
State fire protection		385,477		390,076
Planning department fees		202,260		181,992
Police department fees		1,848,693		1,684,559
Fire and rescue department fees		259,944		262,286
Other permits and fees		17,526		16,255
Total licenses, permits, and fees	3,655,774	4,564,110	908,336	4,231,880



GENERAL FUND

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

YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2022

	2023		Variance Positive/ Negative	2022
	Budget	Actual		Actual
<b>Sales and Services:</b>				
Rescue fees		4,167,213		3,990,787
Recreation department programs and fees		1,248,766		1,182,396
Utilities street cuts		331,619		163,725
Rents and concessions		139,706		121,550
Other sales and services		739,764		544,816
Total sales and services	\$ 5,220,526	6,627,068	\$ 1,406,542	6,003,274
Investment earnings	791,448	3,330,835	2,539,387	(1,003,443)
<b>Other Revenues:</b>				
Parking violation penalty		255,444		193,831
Parking fees		349,265		328,294
Other revenues		762,939		943,660
Total other revenues	1,278,074	1,367,648	89,574	1,465,785
Total Revenues	89,733,416	97,887,987	8,154,571	88,076,079
<b>Expenditures:</b>				
<b>General Government:</b>				
Mayor and City Council		448,714		521,459
City Manager		3,086,080		2,862,285
City Clerk		296,456		305,418
City Attorney		687,032		644,693
Human Resources		3,300,534		3,134,129
Financial Services		3,128,185		2,773,114
Information Technology		3,478,113		3,055,009
Reimbursement of indirect cost		(1,350,453)		(1,350,453)
Capital outlay		-		-
Contribution to OPEB trust		700,000	-	600,000
Total general government	14,081,772	13,774,661	307,111	12,545,654
<b>Public Safety:</b>				
Fire and rescue		17,320,676		17,195,047
Police		28,976,581		26,725,915
Total public safety	47,363,309	46,297,257	1,066,052	43,920,962
<b>Public Works:</b>				
Other public works		5,221,091		4,684,834
Engineering		4,970,126		4,686,423
Streets		1,424,393		1,238,863
Total public works	12,412,010	11,615,610	796,400	10,610,120
<b>Economic and Physical Development:</b>				
Community development		3,339,304		3,224,875
Total economic and physical development	3,542,489	3,339,304	203,185	3,224,875

GENERAL FUND

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

YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2022

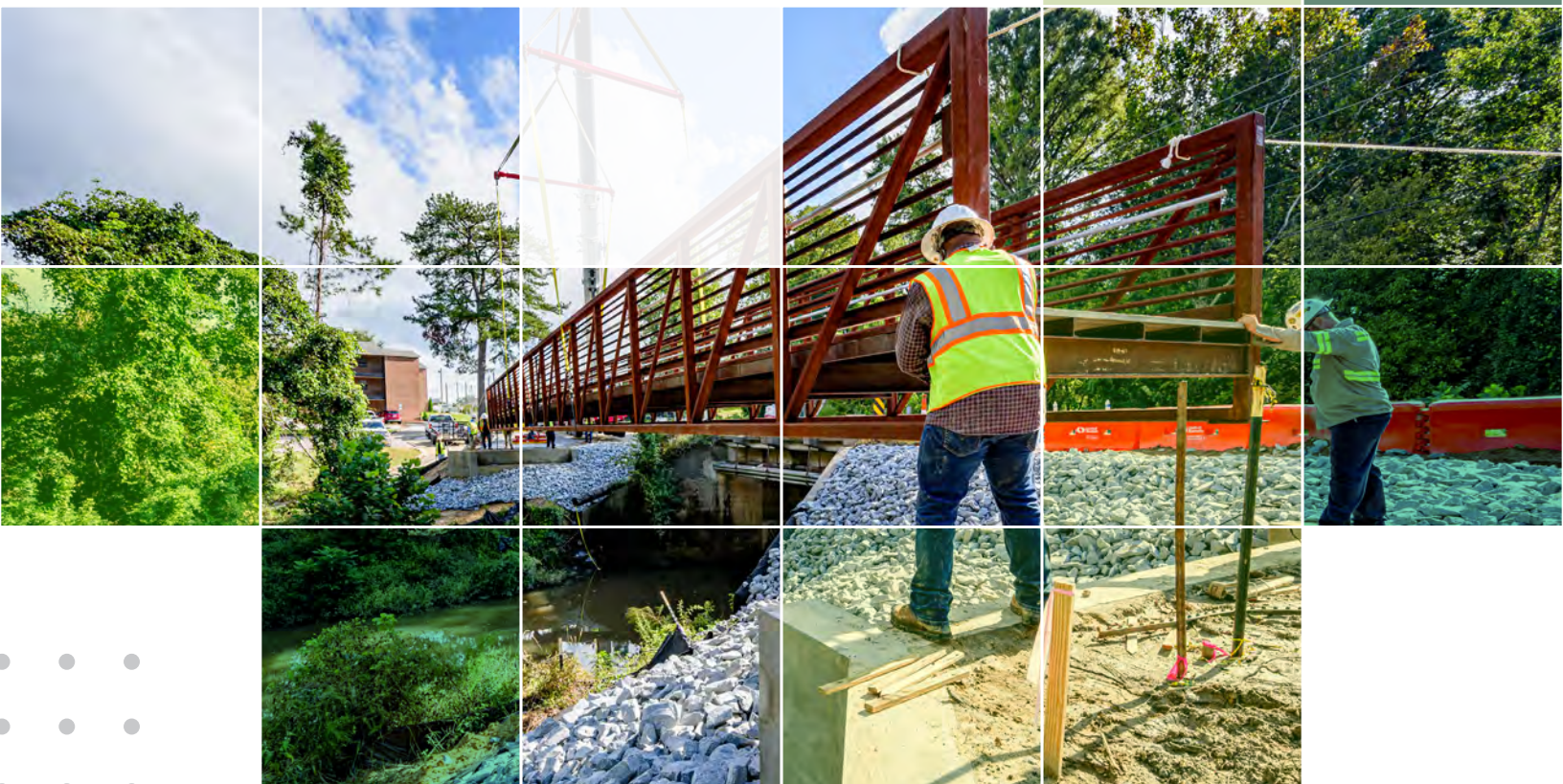
	2023		Variance Positive/ Negative	2022
	Budget	Actual		Actual
Cultural and Recreational:				
Recreation		8,248,774		\$ 7,227,702
Total cultural and recreational	\$ 8,551,896	8,248,774	\$ 303,122	7,227,702
Total expenditures	85,951,476	83,275,606	2,675,870	77,529,313
Revenues over (under) expenditures	3,781,940	14,612,381	10,830,441	10,546,766
<b>Other Financing Sources (Uses):</b>				
Transfers to/from other funds:				
Greenville Utilities Commission turnover	6,059,364	6,062,399	3,035	5,693,673
Greenville Utilities Commission lighting reimbursement	979,944	1,029,030	49,086	1,035,678
Other funds	-	-	-	-
Transfer from other funds	-	-	-	117,823
Transfer to other funds	(15,698,962)	(15,014,004)	684,958	(14,062,474)
Contingency	(12,766)	-	12,766	-
Appropriated fund balance	4,890,480	-	(4,890,480)	-
Total other financing sources (uses)	(3,781,940)	(7,922,575)	(4,140,635)	(7,215,300)
Net change in fund balance	-	6,689,806	6,689,806	3,331,466
<b>Fund Balance:</b>				
Fund balance, beginning of year – July 1		30,005,873		26,674,407
Fund balance, end of year – June 30		\$ 36,695,679		\$ 30,005,873

ARPA FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2023

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
<b>Revenues:</b>				
Restricted Intergovernmental:				
Federal Grants	24,689,311	282,500	813,419	1,095,919
Total restricted intergovernmental	<u>24,689,311</u>	<u>282,500</u>	<u>813,419</u>	<u>1,095,919</u>
Total revenues	<u>24,689,311</u>	<u>282,500</u>	<u>813,419</u>	<u>1,095,919</u>
<b>Expenditures:</b>				
Current:				
Employee Premium Pay	282,500	282,500	-	282,500
Dream Park Rec Center	2,381,672	-	51,890	51,890
Public Works Pipe Replacement	10,000,000	-	368,757	368,757
4th Street Reconstruction	187,000	-	186,584	186,584
Town Common Bulkhead	1,022,500	-	194,788	194,788
Greenfield Terrace	502,639	-	11,400	11,400
BUILD Grant	9,813,000	-	-	-
Small Business Assistance	500,000	-	-	-
Total expenditures	<u>24,689,311</u>	<u>282,500</u>	<u>813,419</u>	<u>1,095,919</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other financing sources (uses) over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Fund Balance:</b>				
Fund balance, beginning of year – July 1			<u>-</u>	
Fund balance, end of year – June 30			<u>\$ -</u>	



# Non-Major Governmental Fund Financial Statements

Annual Comprehensive Financial Report  
(ACFR) – Fiscal Year Ending June 30, 2023

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

**Schedule B-1**

JUNE 30, 2023

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total
<b>Assets:</b>				
Cash and cash equivalents	\$ 1,800,536	\$ 969,036	\$ 15,859,456	\$ 18,629,028
Accounts receivable, net	1,038,695	-	3,739,920	4,778,615
Interest receivable	4,963	-	-	4,963
Loans receivable	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	58,515	-	-	58,515
Prepaid items and deposits	150,330	-	-	150,330
Restricted cash and investments	<u>5,101,541</u>	<u>372,946</u>	<u>8,042,283</u>	<u>13,516,770</u>
<b>Total assets</b>	<b><u>\$ 8,154,580</u></b>	<b><u>\$ 1,341,982</u></b>	<b><u>\$ 27,641,659</u></b>	<b><u>\$ 37,138,221</u></b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ 61,259	\$ -	\$ 1,161,478	\$ 1,222,737
Unearned federal revenue	167,842	-	30,872	198,714
Due to other funds	375,748	-	2,054,545	2,430,293
Restricted accounts payable and accrued liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities</b>	<b><u>604,849</u></b>	<b><u>-</u></b>	<b><u>3,246,895</u></b>	<b><u>3,851,744</u></b>
<b>Deferred Inflows of Resources:</b>				
Accounts/loans receivable	<u>287,084</u>	<u>-</u>	<u>-</u>	<u>287,084</u>
<b>Total deferred inflows of resources</b>	<b><u>287,084</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>287,084</u></b>
<b>Fund Balances:</b>				
Nonspendable:				
Prepaid items	150,330	-	-	150,330
Loans receivable	-	-	-	-
Restricted:				
Stabilization by State statute	826,068	59	7,259,890	8,086,017
Restricted for streets	-	-	121,390	121,390
Restricted for general government	-	-	-	-
Restricted for public safety	-	-	3,061,741	3,061,741
Restricted for public works	-	-	-	-
Restricted for general government	-	-	-	-
Restricted for economic development	14,543	-	1,986,562	2,001,105
Restricted for cultural and recreational	4,085,700	-	-	4,085,700
Restricted for debt service	-	1,341,923	-	1,341,923
Restricted for donations	-	-	-	-
Restricted for loans receivable	-	-	-	-
Committed:				
Committed for general government	1,080,933	-	-	1,080,933
Committed for cultural and recreational	-	-	713,092	713,092
Committed for public safety	-	-	473,436	473,436
Committed for economic development	-	-	6,537,304	6,537,304
Committed for capital outlays	-	-	3,318,315	3,318,315
Committed for debt service	-	-	-	-
Assigned:				
Assigned for subsequent year's expenditures	1,302,147	-	-	1,302,147
Assigned for cultural and recreational	-	-	-	-
Unassigned	<u>(197,074)</u>	<u>-</u>	<u>923,034</u>	<u>725,960</u>
<b>Total fund balances</b>	<b><u>7,262,647</u></b>	<b><u>1,341,982</u></b>	<b><u>24,394,764</u></b>	<b><u>32,999,393</u></b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b><u>\$ 8,154,580</u></b>	<b><u>\$ 1,341,982</u></b>	<b><u>\$ 27,641,659</u></b>	<b><u>\$ 37,138,221</u></b>

NONMAJOR GOVERNMENTAL FUNDS

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

YEAR ENDED JUNE 30, 2023

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total
<b>Revenues:</b>				
Other taxes	\$ -	\$ 680,470	\$ -	\$ 680,470
Restricted intergovernmental	3,484,013	-	2,095,767	5,579,780
Investment earnings	18,727	126,472	1,630,535	1,775,734
Other revenues	206,482	-	1,473,370	1,679,852
Restricted other revenues	1,755,227	-	-	1,755,227
Total revenues	<u>5,464,449</u>	<u>806,942</u>	<u>5,199,672</u>	<u>11,471,063</u>
<b>Expenditures:</b>				
Current:				
General government	-	-	20,870	20,870
Public safety	827,247	-	2,805,364	3,632,611
Environmental protection	-	-	-	-
Public works	-	-	4,108,003	4,108,003
Cultural and recreational	2,893,631	-	5,831,341	8,724,972
Economic and physical development	3,444,952	-	1,874,000	5,318,952
Principal retirement	-	4,874,120	-	4,874,120
Interest and fees	-	1,411,148	-	1,411,148
Total expenditures	<u>7,165,830</u>	<u>6,285,268</u>	<u>14,639,578</u>	<u>28,090,676</u>
Revenues over (under) expenditures	<u>(1,701,381)</u>	<u>(5,478,326)</u>	<u>(9,439,906)</u>	<u>(16,619,613)</u>
<b>Other Financing Sources (Uses):</b>				
Long-term debt issued	-	-	-	-
Bond proceeds	-	-	2,500,000	2,500,000
Premium received on debt issue	-	-	-	-
Transfers from other funds	1,977,908	-	9,399,462	11,377,370
Transfers to other funds	(40,000)	5,637,664	(3,271,221)	2,326,443
Total other financing sources (uses)	<u>1,937,908</u>	<u>5,637,664</u>	<u>8,628,241</u>	<u>16,203,813</u>
Net change in fund balances	236,527	159,338	(811,665)	(415,800)
<b>Fund Balances:</b>				
Fund balances, beginning of year – July 1,	<u>7,026,120</u>	<u>1,182,644</u>	<u>25,206,429</u>	<u>33,415,193</u>
Fund balances, end of year – June 30	<u>\$ 7,262,647</u>	<u>\$ 1,341,982</u>	<u>\$ 24,394,764</u>	<u>\$ 32,999,393</u>

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

Schedule C-1

JUNE 30, 2023

	Community Development and HOME Fund	Sheppard Memorial Library	Housing Trust Fund	Centralized Grant Fund	FEMA Fund	Donations Fund	Occupancy Tax Fund	Redlight Program Fund	Total
<b>Assets:</b>									
Cash and cash equivalents	\$ 5,587	\$ 1,481,467	\$ -	\$ -	\$ 313,482	\$ -	\$ -	\$ -	\$ 1,800,536
Accounts receivable, net	667,669	-	7,684	353,650	432	-	-	9,260	1,038,695
Interest receivable	-	4,963	-	-	-	-	-	-	4,963
Due from other governments	1,816	56,682	17	-	-	-	-	-	58,515
Prepaid items	-	150,330	-	-	-	-	-	-	150,330
Restricted cash and investments	-	-	14,543	935,316	-	318,806	3,704,714	128,162	5,101,541
<b>Total assets</b>	<b>\$ 675,072</b>	<b>\$ 1,693,442</b>	<b>\$ 22,244</b>	<b>\$ 1,288,966</b>	<b>\$ 313,914</b>	<b>\$ 318,806</b>	<b>\$ 3,704,714</b>	<b>\$ 137,422</b>	<b>\$ 8,154,580</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>									
<b>Liabilities:</b>									
Accounts payable and accrued liabilities	\$ 33,081	\$ 17,667	\$ -	\$ 6,712	\$ -	\$ 3,799	\$ -	\$ -	\$ 61,259
Unearned federal revenue	-	-	-	167,842	-	-	-	-	167,842
Due to other funds	319,834	55,914	-	-	-	-	-	-	375,748
<b>Total liabilities</b>	<b>352,915</b>	<b>73,581</b>	<b>-</b>	<b>174,554</b>	<b>-</b>	<b>3,799</b>	<b>-</b>	<b>-</b>	<b>604,849</b>
<b>Deferred Inflows of Resources:</b>									
Accounts/loans receivable	287,084	-	-	-	-	-	-	-	287,084
<b>Total deferred inflows of resources</b>	<b>287,084</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>287,084</b>
<b>Fund Balances:</b>									
Nonspendable:									
Prepaid items	-	150,330	-	-	-	-	-	-	150,330
Restricted:									
Stabilization by State statute	360,309	101,404	7,701	346,961	432	1	-	9,260	826,068
Restricted for culture and recreation	-	65,980	-	-	-	315,006	3,704,714	-	4,085,700
Restricted for economic and physical development	-	-	14,543	-	-	-	-	-	14,543
Committed:									
Committed for general government	-	-	-	767,451	313,482	-	-	-	1,080,933
Assigned:									
Assigned for subsequent year's expenditures	-	1,302,147	-	-	-	-	-	-	1,302,147
Unassigned	(325,236)	-	-	-	-	-	-	128,162	(197,074)
<b>Total fund balances</b>	<b>35,073</b>	<b>1,619,861</b>	<b>22,244</b>	<b>1,114,412</b>	<b>313,914</b>	<b>315,007</b>	<b>3,704,714</b>	<b>137,422</b>	<b>7,262,647</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 675,072</b>	<b>\$ 1,693,442</b>	<b>\$ 22,244</b>	<b>\$ 1,288,966</b>	<b>\$ 313,914</b>	<b>\$ 318,806</b>	<b>\$ 3,704,714</b>	<b>\$ 137,422</b>	<b>\$ 8,154,580</b>

CITY OF GREENVILLE, NORTH CAROLINA  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

Schedule C-2

YEAR ENDED JUNE 30, 2023

	Community Development and HOME Fund	Sheppard Memorial Library	Housing Trust Fund	Centralized Grant Fund	FEMA Fund	Donations Fund	Occupancy Tax Fund	Redlight Program Fund	Total
<b>Revenues:</b>									
Restricted intergovernmental	\$ 1,893,576	\$ 1,159,174	\$ -	\$ 357,242	\$ 74,021	\$ -	\$ -	\$ -	3,484,013
Investment earnings	-	18,727	-	-	-	-	-	-	18,727
Other revenues	122,978	82,995	509	-	-	-	-	-	206,482
Restricted other revenues	-	-	-	-	-	83,750	829,872	841,605	1,755,227
Total revenues	<u>2,016,554</u>	<u>1,260,896</u>	<u>509</u>	<u>357,242</u>	<u>74,021</u>	<u>83,750</u>	<u>829,872</u>	<u>841,605</u>	<u>5,464,449</u>
<b>Expenditures:</b>									
Current:									
General government	-	-	-	-	-	-	-	-	-
Cultural and recreational	-	2,493,521	-	-	-	63,435	336,675	-	2,893,631
Public safety	-	-	-	-	-	18,761	-	808,486	827,247
Economic and physical development	2,964,531	-	878	479,543	-	-	-	-	3,444,952
Total expenditures	<u>2,964,531</u>	<u>2,493,521</u>	<u>878</u>	<u>479,543</u>	<u>-</u>	<u>82,196</u>	<u>336,675</u>	<u>808,486</u>	<u>7,165,830</u>
Revenues over (under) expenditures	<u>(947,977)</u>	<u>(1,232,625)</u>	<u>(369)</u>	<u>(122,301)</u>	<u>74,021</u>	<u>1,554</u>	<u>493,197</u>	<u>33,119</u>	<u>(1,701,381)</u>
<b>Other Financing Sources (Uses):</b>									
Transfers from other funds	338,556	1,408,535	-	230,817	-	-	-	-	1,977,908
Transfers to other funds	-	-	-	-	-	-	(40,000)	-	(40,000)
Total other financing sources	<u>338,556</u>	<u>1,408,535</u>	<u>-</u>	<u>230,817</u>	<u>-</u>	<u>-</u>	<u>(40,000)</u>	<u>-</u>	<u>1,937,908</u>
Net change in fund balances	(609,421)	175,910	(369)	108,516	74,021	1,554	453,197	33,119	236,527
<b>Fund Balances:</b>									
Fund balance, beginning of year – July 1	644,494	1,443,951	22,613	1,005,896	239,893	313,453	3,251,517	104,303	7,026,120
Fund balance, end of year – June 30	<u>\$ 35,073</u>	<u>\$ 1,619,861</u>	<u>\$ 22,244</u>	<u>\$ 1,114,412</u>	<u>\$ 313,914</u>	<u>\$ 315,007</u>	<u>\$ 3,704,714</u>	<u>\$ 137,422</u>	<u>\$ 7,262,647</u>



**CITY OF GREENVILLE, NORTH CAROLINA**  
**COMMUNITY DEVELOPMENT AND HOME FUND**

**Schedule C-3**

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2023

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Closed Projects</u>	<u>Current Year</u>	<u>Total</u>
<b>Revenues:</b>					
CDBG and Home Entitlement Program:					
Property owners matching fund	\$ -	\$ 42,570	\$ -	\$ -	\$ 42,570
Federal grant, HUD	10,287,719	20,004,002	-	1,275,302	21,279,304
State Grant	5,140,000	-	-	618,274	618,274
Consortium members	-	13,666	-	-	13,666
Other Revenues	-	-	-	60,974	60,974
Loan payments	565,616	1,289,652	-	62,004	1,351,656
Interest income	-	25	-	-	25
Sale of acquired property	-	529,937	-	-	529,937
Total revenues	<u>15,993,335</u>	<u>21,879,852</u>	<u>-</u>	<u>2,016,554</u>	<u>23,896,406</u>
<b>Expenditures:</b>					
CDBG and Home Entitlement Program:					
Administration	4,981,429	6,759,547	-	859,816	7,619,363
Rehabilitation - third-party owned dwellings	4,883,242	9,297,370	-	594,903	9,892,273
Rehabilitation - rental	-	62,875	-	-	62,875
Outside agency funding	658,597	1,477,282	-	217,811	1,695,093
Acquisition dilapidated	44,430	430,596	-	-	430,596
Code enforcement	-	178,110	-	-	178,110
Rental Assistance	200,610	269,598	-	-	269,598
Small business Assistance	52,898	625,244	-	-	625,244
Small area revialization	-	5,000	-	-	5,000
Demolition grants	61,963	165,002	-	-	165,002
New Construction	581,242	18,000	-	32,500	50,500
Secondary mortgage	1,935,663	883,060	-	259,501	1,142,561
Arlington Trace Construction	5,000,000	-	-	1,000,000	1,000,000
Greenville/Meadowbrook	33,004	349,432	-	-	349,432
Other expenses	276,239	58,010	-	-	58,010
Relocation	-	46,481	-	-	46,481
Contribution to consortium members	467,745	3,895,657	-	-	3,895,657
Capital outlay	-	11,834	-	-	11,834
Total expenditures	<u>19,177,062</u>	<u>24,533,098</u>	<u>-</u>	<u>2,964,531</u>	<u>27,497,629</u>
Revenues under expenditures	<u>(3,183,727)</u>	<u>(2,653,246)</u>	<u>-</u>	<u>(947,977)</u>	<u>(3,601,223)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in (out):					
Transfers from other funds	3,293,887	4,164,097	-	338,556	4,502,653
Transfers to other funds	(110,160)	(866,357)	-	-	(866,357)
Total other financing sources	<u>3,183,727</u>	<u>3,297,740</u>	<u>-</u>	<u>338,556</u>	<u>3,636,296</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 644,494</u>	<u>\$ -</u>	<u>(609,421)</u>	<u>\$ 35,073</u>
<b>Fund Balance:</b>					
Fund balance, beginning of year – July 1				<u>644,494</u>	
Fund balance, end of year – June 30				<u>\$ 35,073</u>	

SHEPPARD MEMORIAL LIBRARY FUND

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

YEAR ENDED JUNE 30, 2023

	Budget	Actual	Variance Positive/ Negative
<b>Revenues:</b>			
Pitt County - operating	\$ 640,335	\$ 640,338	\$ 3
Pitt County - capital	80,000	-	(80,000)
Town of Bethel	21,108	21,108	-
Town of Winterville	168,400	168,400	-
Pitt County for Town of Bethel and Winterville	12,000	12,000	-
State aid	317,328	317,328	-
Fees	53,800	57,428	3,628
Interest earnings	11,500	17,570	6,070
Greenville Housing Authority	12,618	12,619	1
Miscellaneous	11,000	12,948	1,948
Total revenues	<u>1,328,089</u>	<u>1,259,739</u>	<u>(68,350)</u>
<b>Expenditures:</b>			
Current:			
Cultural and recreational:			
Salaries and benefits	1,672,222	1,541,284	130,938
Greenville Housing Authority	-	12,677	(12,677)
Other operating expenditures	454,975	419,423	35,552
Maintenance and repairs	320,216	315,824	4,392
Capital outlay	375,961	204,313	171,648
Total expenditures	<u>2,823,374</u>	<u>2,493,521</u>	<u>329,853</u>
Revenues over (under) expenditures	<u>(1,495,285)</u>	<u>(1,233,782)</u>	<u>261,503</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in - City of Greenville - operating	1,408,535	1,408,535	-
Committed - HVAC Units	86,750	-	(86,750)
Appropriated fund balance	-	-	-
Total other financing sources (uses)	<u>1,495,285</u>	<u>1,408,535</u>	<u>(86,750)</u>
Net change in fund balance	<u>\$ -</u>	<u>174,753</u>	<u>\$ 174,753</u>
Reconciliation of sub-fund activity:			
Interest Earned		157	
Miscellaneous		1,000	
Sub Fund beginning fund balance		64,823	
<b>Fund Balances:</b>			
Fund balance, beginning of year – July 1		<u>1,379,128</u>	
Fund balance, end of year – June 30		<u>\$ 1,619,861</u>	

## HOUSING TRUST FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2023

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
<b>Revenues:</b>				
Grants	\$ 178,500	\$ 178,576	\$ -	\$ 178,576
Investment earnings	12,472	12,473	-	12,473
Other revenues	<u>31,003</u>	<u>40,720</u>	<u>509</u>	<u>41,229</u>
Total revenues	<u>221,975</u>	<u>231,769</u>	<u>509</u>	<u>232,278</u>
<b>Expenditures:</b>				
Small area revitalization	\$ 22,332	22,876	-	22,876
Rehabilitation	221,113	215,374	-	215,374
Other expenditures	<u>99,530</u>	<u>91,906</u>	<u>878</u>	<u>92,784</u>
Total expenditures	<u>342,975</u>	<u>330,156</u>	<u>878</u>	<u>331,034</u>
Revenues under expenditures	(121,000)	(98,387)	(369)	(98,756)
<b>Other Financing Sources:</b>				
Transfers from other funds	<u>121,000</u>	<u>121,000</u>	<u>-</u>	<u>121,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 22,613</u>	(369)	<u>\$ 22,244</u>
<b>Fund Balance:</b>				
Fund balance, beginning of year – July 1			<u>22,613</u>	
Fund balance, end of year – June 30			<u>\$ 22,244</u>	

## CENTRALIZED GRANT PROJECTS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2023

	Project Authorization	Prior Years	Current Year	Total
<b>Revenues:</b>				
Federal and State grants	\$ 11,111,965	\$ 9,332,377	\$ 357,242	\$ 9,689,619
Investment income	-	1	-	1
Other revenue	-	21,736	-	21,736
Total revenues	<u>11,111,965</u>	<u>9,354,114</u>	<u>357,242</u>	<u>9,711,356</u>
<b>Expenditures:</b>				
Current:				
Personnel	2,264,108	3,776,394	11,878	3,788,272
Operating	5,945,084	4,714,601	261,771	4,976,372
Capital Outlay	2,006,385	29,944	205,894	235,838
COVID-19	1,560,518	-	-	-
Rural Housing Recovery Grant	350,000	-	-	-
STAR Grant	330,000	-	-	-
Environmental Enhancement Grant	88,275	1,060,202	-	1,060,202
Total expenditures	<u>12,544,370</u>	<u>9,581,141</u>	<u>479,543</u>	<u>10,060,684</u>
Revenues over (under) expenditures	<u>(1,432,405)</u>	<u>(227,027)</u>	<u>(122,301)</u>	<u>(349,328)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers to other funds	(27,419)	(60,565)	-	(60,565)
Transfers from other funds	1,459,824	1,293,488	230,817	1,524,305
Total other financing sources	<u>1,432,405</u>	<u>1,232,923</u>	<u>230,817</u>	<u>1,463,740</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,005,896</u>	108,516	<u>\$ 1,114,412</u>
<b>Fund Balance:</b>				
Fund balance, beginning of year – July 1			<u>1,005,896</u>	
Fund balance, end of year – June 30			<u>\$ 1,114,412</u>	

## FEMA FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2023

	Project Authorization	Prior Years	Current Year	Total
<b>Revenues:</b>				
Restricted Intergovernmental:				
Federal, State, and local grants	\$ 3,804,337	\$ 1,179,491	\$ 74,021	\$ 1,253,512
Mutual aid	-	68,764	-	68,764
Total restricted intergovernmental	<u>3,804,337</u>	<u>1,248,255</u>	<u>74,021</u>	<u>1,322,276</u>
Interest earned on investments	-	-	-	-
Total revenues	<u>3,804,337</u>	<u>1,248,255</u>	<u>74,021</u>	<u>1,322,276</u>
<b>Expenditures:</b>				
Current:				
General government:				
Hurricane Dorian	1,000,000	4,645	-	4,645
Hurricane Florence	508,674	451,048	-	451,048
Hurricane Matthew	<u>1,988,421</u>	<u>264,751</u>	-	<u>264,751</u>
Total expenditures	<u>3,497,095</u>	<u>720,444</u>	-	<u>720,444</u>
Revenues over (under) expenditures	<u>307,242</u>	<u>527,811</u>	<u>74,021</u>	<u>601,832</u>
<b>Other Financing Sources:</b>				
Transfer from other funds	181,192	600	-	600
Transfer to other funds	<u>(488,434)</u>	<u>(288,518)</u>	-	<u>(288,518)</u>
Total other financing sources (uses)	<u>(307,242)</u>	<u>(287,918)</u>	-	<u>(287,918)</u>
Revenues and other financing sources (uses) over (under) expenditures	<u>\$ -</u>	<u>\$ 239,893</u>	<u>74,021</u>	<u>\$ 313,914</u>
<b>Fund Balance:</b>				
Fund balance, beginning of year – July 1			<u>239,893</u>	
Fund balance, end of year – June 30			<u>\$ 313,914</u>	

DONATIONS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2023

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
<b>Revenues:</b>				
Miscellaneous Restricted:				
Local				
Donations	\$ -	\$ 359,361	\$ 83,750	\$ 443,111
Total Miscellaneous Restricted	<u>-</u>	<u>359,361</u>	<u>83,750</u>	<u>443,111</u>
<b>Expenditures:</b>				
Current:				
General government	1,135	-	-	-
Public Safety	24,729	20,572	18,761	39,333
Cultural and recreational	175,236	224,167	63,435	287,602
Economic and Physical Development	<u>2,188</u>	<u>4,457</u>	<u>-</u>	<u>4,457</u>
Total expenditures	<u>203,288</u>	<u>249,196</u>	<u>82,196</u>	<u>331,392</u>
Revenues over (under) expenditures	<u>(203,288)</u>	<u>110,165</u>	<u>1,554</u>	<u>111,719</u>
<b>Other Financing Sources:</b>				
Transfer from other funds	<u>203,288</u>	<u>203,288</u>	<u>-</u>	<u>203,288</u>
Total other financing sources (uses)	<u>203,288</u>	<u>203,288</u>	<u>-</u>	<u>203,288</u>
Revenues and other financing sources (uses) over (under) expenditures	<u>\$ -</u>	<u>\$ 313,453</u>	<u>1,554</u>	<u>\$ 315,007</u>
<b>Fund Balance:</b>				
Fund balance, beginning of year – July 1			<u>313,453</u>	
Fund balance, end of year – June 30			<u>\$ 315,007</u>	

## OCCUPANCY TAX FUND

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

YEAR ENDED JUNE 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ Negative</u>
<b>Revenues:</b>			
Occupancy Tax Collections	415,000	829,872	414,872
Total revenues	<u>415,000</u>	<u>829,872</u>	<u>414,872</u>
<b>Expenditures:</b>			
Current:			
Cultural and recreational	415,000	336,675	78,325
Total expenditures	<u>415,000</u>	<u>336,675</u>	<u>78,325</u>
Revenues over (under) expenditures	<u>-</u>	<u>493,197</u>	<u>493,197</u>
<b>Other Financing Sources:</b>			
Appropriated Fund Balance	-	-	-
Transfers to other funds	-	(40,000)	(40,000)
Total other financing sources	<u>-</u>	<u>(40,000)</u>	<u>(40,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>453,197</u>	<u>\$ 453,197</u>
<b>Fund Balance:</b>			
Fund balance, beginning of year – July 1		<u>3,251,517</u>	
Fund balance, end of year – June 30		<u>\$ 3,704,714</u>	

RED LIGHT PROGRAM FUND

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

YEAR ENDED JUNE 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ Negative</u>
<b>Revenues:</b>			
Red Light Citations	1,800,000	841,605	(958,395)
Total revenues	<u>1,800,000</u>	<u>841,605</u>	<u>(958,395)</u>
<b>Expenditures:</b>			
Current:			
Operating	1,800,000	808,486	991,514
Total expenditures	<u>1,800,000</u>	<u>808,486</u>	<u>991,514</u>
Revenues over (under) expenditures	<u>-</u>	<u>33,119</u>	<u>33,119</u>
<b>Other Financing Sources:</b>			
Transfers to other funds	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>33,119</u>	<u>\$ 33,119</u>
<b>Fund Balance:</b>			
Fund balance, beginning of year – July 1		<u>104,303</u>	
Fund balance, end of year – June 30		<u>\$ 137,422</u>	



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

**Schedule D-1**

JUNE 30, 2023

	Affordable Housing Project Fund	Recreation and Parks Fund	Public Works Fund	Greenways Fund	Street Improvement Fund	Engineering Fund	Community Development Fund	IT Fund	Police Fund	Fire and Rescue Fund	Capital Reserve Fund	Total
<b>Assets:</b>												
Cash and cash equivalents	\$ 581,506	\$ 4,009,932	\$ 357,877	\$ -	\$ -	\$ 5,892,320	\$ 536,798	\$ 129,598	\$ 473,437	\$ 559,673	\$ 3,318,315	\$ 15,859,456
Accounts receivable, net	438,160	-	459,205	2,842,555	-	-	-	-	-	-	-	3,739,920
Restricted cash and investments	-	93,990	-	-	1,986,562	3,061,741	-	-	121,389	2,778,601	-	8,042,283
<b>Total assets</b>	<b>\$ 1,019,666</b>	<b>\$ 4,103,922</b>	<b>\$ 817,082</b>	<b>\$ 2,842,555</b>	<b>\$ 1,986,562</b>	<b>\$ 8,954,061</b>	<b>\$ 536,798</b>	<b>\$ 129,598</b>	<b>\$ 594,826</b>	<b>\$ 3,338,274</b>	<b>\$ 3,318,315</b>	<b>\$ 27,641,659</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>												
<b>Liabilities:</b>												
Accounts payable and accrued liabilities	\$ 33,804	\$ 629,509	\$ 60,278	\$ 17,163	\$ -	\$ 371,452	\$ 17,000	\$ -	\$ -	\$ 32,272	\$ -	\$ 1,161,478
Advances from grantors	-	-	30,872	-	-	-	-	-	-	-	-	30,872
Due to other funds	-	-	-	2,054,545	-	-	-	-	-	-	-	2,054,545
Restricted accounts payable and accrued liabilities	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>33,804</b>	<b>629,509</b>	<b>91,150</b>	<b>2,071,708</b>	<b>-</b>	<b>371,452</b>	<b>17,000</b>	<b>-</b>	<b>-</b>	<b>32,272</b>	<b>-</b>	<b>3,246,895</b>
<b>Deferred Inflows of Resources:</b>												
Accounts receivable	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>												
<b>Restricted:</b>												
Stabilization by State statute	438,160	2,761,321	988,485	3,020,860	-	-	51,064	-	-	-	-	7,259,890
Restricted for public safety	-	-	-	-	-	3,061,741	-	-	-	-	-	3,061,741
Restricted for streets	-	-	-	-	-	-	-	-	121,390	-	-	121,390
Restricted for economic development	-	-	-	-	1,986,562	-	-	-	-	-	-	1,986,562
Loans receivable	-	-	-	-	-	-	-	-	-	-	-	-
<b>Committed:</b>												
Committed for general government	-	-	-	-	-	-	-	-	-	-	-	-
Committed for cultural and recreational	-	713,092	-	-	-	-	-	-	-	-	-	713,092
Committed for public safety	-	-	-	-	-	-	-	-	473,436	-	-	473,436
Committed for economic development	547,702	-	-	-	-	5,520,868	468,734	-	-	-	-	6,537,304
Committed for capital outlays	-	-	-	-	-	-	-	-	-	-	3,318,315	3,318,315
Unassigned	-	-	(262,553)	(2,250,013)	-	-	-	129,598	-	3,306,002	-	923,034
<b>Total fund balances</b>	<b>985,862</b>	<b>3,474,413</b>	<b>725,932</b>	<b>770,847</b>	<b>1,986,562</b>	<b>8,582,609</b>	<b>519,798</b>	<b>129,598</b>	<b>594,826</b>	<b>3,306,002</b>	<b>3,318,315</b>	<b>24,394,764</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 1,019,666</b>	<b>\$ 4,103,922</b>	<b>\$ 817,082</b>	<b>\$ 2,842,555</b>	<b>\$ 1,986,562</b>	<b>\$ 8,954,061</b>	<b>\$ 536,798</b>	<b>\$ 129,598</b>	<b>\$ 594,826</b>	<b>\$ 3,338,274</b>	<b>\$ 3,318,315</b>	<b>\$ 27,641,659</b>

**CITY OF GREENVILLE, NORTH CAROLINA**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

**Schedule D-2**

YEAR ENDED JUNE 30, 2023

	Affordable Housing Project Fund	Recreation and Parks Fund	Public Works Fund	Greenways Fund	Street Improvement Fund	Engineering Fund	Community Development Fund	IT Fund	Police Fund	Fire and Rescue Fund	Capital Reserve Fund	Total
<b>Revenues:</b>												
Restricted intergovernmental	\$ -	\$ 3,500	\$ 61,013	\$ 1,842,534	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ 38,720	\$ -	\$ 2,095,767
Other taxes and licenses	-	-	-	-	-	-	-	-	-	-	-	-
Investment earnings	-	1,359,352	16,231	-	44,405	-	-	-	13	145,834	64,700	1,630,535
Other revenues	8,432	-	-	-	-	1,433,067	31,871	-	-	-	-	1,473,370
Total revenues	8,432	1,362,852	77,244	1,842,534	44,405	1,433,067	181,871	-	13	184,554	64,700	5,199,672
<b>Expenditures:</b>												
Current:												
General government	-	-	-	-	-	-	-	20,870	-	-	-	20,870
Public safety	-	-	-	-	-	-	-	-	3,900	2,801,464	-	2,805,364
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	4,108,003	-	-	-	-	-	4,108,003
Cultural and recreational	-	4,858,755	-	972,586	-	-	-	-	-	-	-	5,831,341
Economic and physical development	-	-	1,666,979	-	-	-	207,021	-	-	-	-	1,874,000
Total current expenditures	-	4,858,755	1,666,979	972,586	-	4,108,003	207,021	20,870	3,900	2,801,464	-	14,639,578
Debt service:												
Bond issuance costs	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	-	4,858,755	1,666,979	972,586	-	4,108,003	207,021	20,870	3,900	2,801,464	-	14,639,578
Revenues over (under) expenditures	8,432	(3,495,903)	(1,589,735)	869,948	44,405	(2,674,936)	(25,150)	(20,870)	(3,887)	(2,616,910)	64,700	(9,439,906)
<b>Other Financing Sources (Uses):</b>												
Installment financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-	-	2,500,000	-	2,500,000
Premium received on debt issue	-	-	-	-	-	-	-	-	-	-	-	-
Sale of property	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from other funds	-	900,000	1,291,100	12,234	-	6,498,780	-	-	200,000	497,348	-	9,399,462
Transfer to other funds	-	(398,699)	(1,622,522)	-	-	-	-	-	-	-	(1,250,000)	(3,271,221)
Total other financing sources	-	501,301	(331,422)	12,234	-	6,498,780	-	-	200,000	2,997,348	(1,250,000)	8,628,241
Net change in fund balances	8,432	(2,994,602)	(1,921,157)	882,182	44,405	3,823,844	(25,150)	(20,870)	196,113	380,438	(1,185,300)	(811,665)
<b>Fund Balances:</b>												
Fund balances, beginning of year – July 1,	977,430	6,469,015	2,647,089	(111,335)	1,942,157	4,758,765	544,948	150,468	398,713	2,925,564	4,503,615	25,206,429
Fund balances, end of year – June 30	\$ 985,862	\$ 3,474,413	\$ 725,932	\$ 770,847	\$ 1,986,562	\$ 8,582,609	\$ 519,798	\$ 129,598	\$ 594,826	\$ 3,306,002	\$ 3,318,315	\$ 24,394,764

**CITY OF GREENVILLE, NORTH CAROLINA**  
**AFFORDABLE HOUSING CAPITAL PROJECTS FUND**

**Schedule D-3**

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

*FROM INCEPTION AND YEAR ENDED JUNE 30, 2023*

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Closed Projects</u>	<u>Current Year</u>	<u>Total</u>
<b>Revenues:</b>					
Interest earnings	\$ 180,500	\$ 190,930	\$ -	\$ -	\$ 190,930
Other revenues	492,100	982,632	-	8,432	991,064
Sale of property	1,706,000	1,807,737	-	-	1,807,737
Total revenues	<u>2,378,600</u>	<u>2,981,299</u>	<u>-</u>	<u>8,432</u>	<u>2,989,731</u>
<b>Expenditures:</b>					
Current:					
Economic and Physical Development:					
Affordable Housing Project	3,903,600	3,529,344	-	-	3,529,344
Total expenditures	<u>3,903,600</u>	<u>3,529,344</u>	<u>-</u>	<u>-</u>	<u>3,529,344</u>
Revenues over (under) expenditures	<u>(1,525,000)</u>	<u>(548,045)</u>	<u>-</u>	<u>8,432</u>	<u>(539,613)</u>
<b>Other Financing Sources:</b>					
Transfer from General Fund	525,000	525,000	-	-	525,000
Bonds issued	1,000,000	1,000,475	-	-	1,000,475
Total other financing sources	<u>1,525,000</u>	<u>1,525,475</u>	<u>-</u>	<u>-</u>	<u>1,525,475</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 977,430</u>	<u>\$ -</u>	<u>8,432</u>	<u>\$ 985,862</u>
<b>Fund Balance:</b>					
Fund balances, beginning of year – July 1				<u>977,430</u>	
Fund balance, end of year – June 30				<u>\$ 985,862</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, 2023

	Project Authorization	Prior Years	Closed Projects	Current Year	Total
<b>Revenues:</b>					
Restricted Intergovernmental:					
Federal, State, and local grants	\$ 1,122,457	\$ 801,992	\$ -	\$ 3,500	\$ 805,492
Total restricted intergovernmental	<u>1,122,457</u>	<u>801,992</u>	<u>-</u>	<u>3,500</u>	<u>805,492</u>
Miscellaneous:					
Donations	1,491,352	-	-	1,359,352	1,359,352
Micellaneous Revenue	567,148	550,000	-	-	550,000
Interest	-	173	-	-	173
Total miscellaneous	<u>2,058,500</u>	<u>550,173</u>	<u>-</u>	<u>1,359,352</u>	<u>1,909,525</u>
Total revenues	<u>3,180,957</u>	<u>1,352,165</u>	<u>-</u>	<u>1,362,852</u>	<u>2,715,017</u>
<b>Expenditures:</b>					
Current:					
Cultural and Recreational:					
Water Sports Facility	306,325	266,693	-	-	266,693
Wildwood Park	10,541,321	3,071,806	-	4,319,629	7,391,435
Eppes Remodel	-	1,318,765	(1,340,688)	21,923	-
Parks Improvements	45,000	22,725	-	-	22,725
Pool Replacement	4,310,290	3,755,229	-	209,087	3,964,316
GAFC Bathrooms	-	125,000	(125,000)	-	-
Off-Leash Dog Park	100,000	-	-	96,466	96,466
Parks Comprehensive Master Plan	147,000	-	-	146,650	146,650
Pickleball Conversion	75,000	-	-	65,000	65,000
Total cultural and recreational expenditures	<u>15,524,936</u>	<u>8,560,218</u>	<u>(1,465,688)</u>	<u>4,858,755</u>	<u>11,953,285</u>
Revenues over (under) expenditures	<u>(12,343,979)</u>	<u>(7,208,053)</u>	<u>1,465,688</u>	<u>(3,495,903)</u>	<u>(9,238,268)</u>
<b>Other Financing Sources and Uses:</b>					
Transfer from other Fund	3,075,253	3,380,684	(243,003)	900,000	4,037,681
Transfer to other Fund	(432,082)	(54,235)	-	(398,699)	(452,934)
Bond proceeds	7,377,767	8,990,000	(1,060,000)	-	7,930,000
Premium from Bond Issuance	1,351,468	1,360,619	(162,685)	-	1,197,934
Appropriated fund balance	971,573	-	-	-	-
Total other financing sources	<u>12,343,979</u>	<u>13,677,068</u>	<u>(1,465,688)</u>	<u>501,301</u>	<u>12,712,681</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 6,469,015</u>	<u>\$ -</u>	<u>(2,994,602)</u>	<u>\$ 3,474,413</u>
<b>Fund Balance:</b>					
Fund balance, beginning of year – July 1				<u>6,469,015</u>	
Fund balance, end of year – June 30				<u>\$ 3,474,413</u>	

**CITY OF GREENVILLE, NORTH CAROLINA**

**PUBLIC WORKS CAPITAL PROJECTS FUND**

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

**Schedule D-5**

FROM INCEPTION AND YEAR ENDED JUNE 30, 2023

	Project Authorization	Prior Years	Closed Projects	Current Year	Total
<b>Revenues:</b>					
Restricted Intergovernmental:					
Federal, State, and local grants	\$ 24,698,934	\$ 14,348,947	\$ -	\$ 61,013	\$ 14,409,960
Total restricted intergovernmental	<u>24,698,934</u>	<u>14,348,947</u>	<u>-</u>	<u>61,013</u>	<u>14,409,960</u>
Miscellaneous:					
Other	2,731,245	268,426	-	-	268,426
Interest earnings	-	13,938	-	16,231	30,169
Occupancy taxes	422,610	2,108,805	-	-	2,108,805
Total miscellaneous	<u>3,153,855</u>	<u>2,391,169</u>	<u>-</u>	<u>16,231</u>	<u>2,407,400</u>
Total revenues	<u>27,852,789</u>	<u>16,740,116</u>	<u>-</u>	<u>77,244</u>	<u>16,817,360</u>
<b>Expenditures:</b>					
Current:					
Economic and Physical Development:					
Stantonsburg Road/ 10th Street Connector	7,191,050	5,657,344	-	996,100	6,653,444
Computerized Traffic Signal System	8,883,151	-	-	-	-
Sidewalk Development	791,287	953,294	-	-	953,294
GTAC Project	9,336,917	9,998,590	-	-	9,998,590
Energy Efficiency Recovery Grant	777,600	216,892	-	-	216,892
King George Bridge	1,341,089	703,482	-	-	703,482
Energy Savings Equipment	2,591,373	2,590,366	-	-	2,590,366
CVA Expansion Phase III	4,718,000	4,669,610	-	-	4,669,610
Pedestrian Improvement Project	210,761	-	-	-	-
Street Lights & Cameras	2,001,225	1,569,330	-	359,930	1,929,260
Fire Station #3 Parking Lot	139,551	191,086	-	-	191,086
Fire Station #2 Bay Expansion	244,655	129,365	-	-	129,365
Parking Lot Enhancement	4,866	60,610	-	(28,734)	31,876
Street Improvement	13,414,536	13,129,144	-	-	13,129,144
Safe Routes to Schools	1,409,463	1,510,923	-	-	1,510,923
Imperial Site Demolition	238,464	238,464	-	-	238,464
Parking Deck Safety	180,000	-	-	178,990	178,990
Salt/Sand Storage Facility	185,000	-	-	140,130	140,130
Emerald Loop Lighting Upgrades	200,000	-	-	-	-
Convention Center Pedestrian Mall Renovation	40,000	-	-	20,563	20,563
Total expenditures	<u>53,898,988</u>	<u>41,618,500</u>	<u>-</u>	<u>1,666,979</u>	<u>43,285,479</u>
Revenues under expenditures	<u>(26,046,199)</u>	<u>(24,878,384)</u>	<u>-</u>	<u>(1,589,735)</u>	<u>(26,468,119)</u>
<b>Other Financing Sources (Uses):</b>					
Transfer from other funds	22,798,836	23,064,989	-	1,291,100	24,356,089
Transfers to other funds	(5,094,503)	(4,356,625)	-	(1,622,522)	(5,979,147)
Long-term debt issued	4,000,000	6,791,372	-	-	6,791,372
Bonds issued	2,200,000	2,025,737	-	-	2,025,737
Appropriated fund balance	2,141,866	-	-	-	-
Total other financing sources	<u>26,046,199</u>	<u>27,525,473</u>	<u>-</u>	<u>(331,422)</u>	<u>27,194,051</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ 2,647,089</u>	<u>\$ -</u>	<u>(1,921,157)</u>	<u>\$ 725,932</u>
<b>Fund Balance:</b>					
Fund balance, beginning of year – July 1				<u>2,647,089</u>	
Fund balance, end of year – June 30				<u>\$ 725,932</u>	

GREENWAYS CAPITAL PROJECTS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2023

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Closed Projects</u>	<u>Current Year</u>	<u>Total</u>
<b>Revenues:</b>					
Restricted Intergovernmental:					
Federal, State, and local grants	\$ 5,378,200	\$ 4,392,879	\$ -	\$ 1,842,534	\$ 6,235,413
Total restricted intergovernmental	<u>5,378,200</u>	<u>4,392,879</u>	<u>-</u>	<u>1,842,534</u>	<u>6,235,413</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>5,378,200</u>	<u>4,442,879</u>	<u>-</u>	<u>1,842,534</u>	<u>6,285,413</u>
<b>Expenditures:</b>					
Current:					
Cultural and Recreational:					
Green Mill Greenway	2,113,935	2,027,632	-	-	2,027,632
South Tar River Greenway Phase 3	4,451,911	3,843,225	-	972,586	4,815,811
Total expenditures	<u>6,565,846</u>	<u>5,870,857</u>	<u>-</u>	<u>972,586</u>	<u>6,843,443</u>
Revenues over (under) expenditures	<u>(1,187,646)</u>	<u>(1,427,978)</u>	<u>-</u>	<u>869,948</u>	<u>(558,030)</u>
<b>Other Financing Sources:</b>					
Transfer from other funds	1,187,646	1,316,643	-	12,234	1,328,877
Total other financing sources	<u>1,187,646</u>	<u>1,316,643</u>	<u>-</u>	<u>12,234</u>	<u>1,328,877</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ (111,335)</u>	<u>\$ -</u>	<u>\$ 882,182</u>	<u>\$ 770,847</u>
<b>Fund Balance:</b>					
Fund balance, beginning of year – July 1				<u>(111,335)</u>	
Fund balance, end of year – June 30				<u>\$ 770,847</u>	

**CITY OF GREENVILLE, NORTH CAROLINA**  
**STREET IMPROVEMENT CAPITAL PROJECTS FUND**

**Schedule D-7**

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2023

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
<b>Revenues:</b>				
Miscellaneous:				
Investment income	\$ -	\$ 144,277	\$ 44,405	\$ 188,682
Total revenues	<u>-</u>	<u>144,277</u>	<u>44,405</u>	<u>188,682</u>
<b>Expenditures:</b>				
Current:				
General Government:				
West 5th Streetscape	\$ 171,021	\$ 132,757	\$ -	132,757
Public Works:				
Statons Road/10th Street	1,750,000	1,616,748	-	1,616,748
Arlington Improvements	4,796,648	4,761,833	-	4,761,833
Safe Routes to Schools	198,556	-	-	-
Sidewalks	312,854	137,056	-	137,056
Total transportation expenditures	<u>7,058,058</u>	<u>6,515,637</u>	<u>-</u>	<u>6,515,637</u>
Environmental Protection:				
Bond resurfacing project	<u>6,355,919</u>	<u>6,217,075</u>	<u>\$ -</u>	<u>6,217,075</u>
Cultural and Recreational:				
Eastside Greenway	<u>239,408</u>	<u>239,407</u>	<u>\$ -</u>	<u>239,407</u>
Debt Service:				
Bond issuance costs	<u>-</u>	<u>223,973</u>	<u>\$ -</u>	<u>223,973</u>
Total expenditures	<u>13,824,406</u>	<u>13,328,849</u>	<u>-</u>	<u>13,328,849</u>
Revenues under expenditures	<u>(13,824,406)</u>	<u>(13,184,572)</u>	<u>44,405</u>	<u>(13,140,167)</u>
<b>Other Financing Sources:</b>				
Transfers to other funds	(3,028,161)	(3,203,959)	-	(3,203,959)
Transfers from other funds	1,002,567	1,002,567	-	1,002,567
Bond proceeds	15,850,000	15,850,000	-	15,850,000
Premium on bonds	-	1,478,121	-	1,478,121
Total other financing sources	<u>13,824,406</u>	<u>15,126,729</u>	<u>-</u>	<u>15,126,729</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 1,942,157</u>	<u>44,405</u>	<u>\$ 1,986,562</u>
<b>Fund Balance:</b>				
Fund balance, beginning of year – July 1			<u>1,942,157</u>	
Fund balance, end of year – June 30			<u>\$ 1,986,562</u>	

## CITY OF GREENVILLE, NORTH CAROLINA

## ENGINEERING CAPITAL PROJECT FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2023

	Project Authorization	Prior Years	Closed Projects	Current Year	Total
<b>Revenues:</b>					
<b>Restricted Intergovernmental</b>					
Federal and State Grants	\$ 15,000,000	\$ -	\$ -	\$ -	\$ -
Total Restricted Intergovernmental	<u>15,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Micellaneous:</b>					
Other revenues	2,603,040	500,000	-	1,433,067	1,933,067
Total Micellaneous	<u>2,603,040</u>	<u>500,000</u>	<u>-</u>	<u>1,433,067</u>	<u>1,933,067</u>
Total Revenues	<u>17,603,040</u>	<u>500,000</u>	<u>-</u>	<u>1,433,067</u>	<u>1,933,067</u>
<b>Expenditures:</b>					
Current:					
Economic and Physical Development					
Build Grant	24,000,000	3,227,660	-	1,130,603	4,358,263
Pavement Management Program	3,668,269	1,401,489	-	1,450,688	2,852,177
Employee Parking Lot	1,363,753	-	-	1,237,079	1,237,079
Ficklen Street Improvements	2,115,000	-	-	244,436	244,436
Dickinson Avenue Improvements	<u>1,250,000</u>	<u>-</u>	<u>-</u>	<u>45,197</u>	<u>45,197</u>
Total expenditures	<u>32,397,022</u>	<u>4,629,149</u>	<u>-</u>	<u>4,108,003</u>	<u>8,737,152</u>
Revenues under expenditures	<u>(14,793,982)</u>	<u>(4,129,149)</u>	<u>-</u>	<u>(2,674,936)</u>	<u>(8,737,152)</u>
<b>Other Financing Sources (Uses):</b>					
Transfer from other funds	<u>14,793,982</u>	<u>8,887,914</u>	<u>-</u>	<u>6,498,780</u>	<u>15,386,694</u>
Total other financing sources	<u>14,793,982</u>	<u>8,887,914</u>	<u>-</u>	<u>6,498,780</u>	<u>15,386,694</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 4,758,765</u>	<u>\$ -</u>	<u>\$ 3,823,844</u>	<u>\$ 6,649,542</u>
<b>Fund Balance:</b>					
Fund balance, beginning of year – July 1				<u>4,758,765</u>	
Fund balance, end of year – June 30				<u>\$ 8,582,609</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, 2023

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Closed Projects</u>	<u>Current Year</u>	<u>Total</u>
<b>Revenues:</b>					
Restricted Intergovernmental:					
Federal, State, and local grants	\$ 1,150,000	\$ 1,015,162	\$ -	\$ 150,000	\$ 1,165,162
State grants and contributions	7,500	-	-	-	-
Total restricted intergovernmental	<u>1,157,500</u>	<u>1,015,162</u>	<u>-</u>	<u>150,000</u>	<u>1,165,162</u>
Miscellaneous:					
Other	1,175,294	687,199	-	31,871	719,070
Sales and services	-	530,831	-	-	530,831
Interest earnings	399,640	406,577	-	-	406,577
Total miscellaneous	<u>1,574,934</u>	<u>1,624,607</u>	<u>-</u>	<u>31,871</u>	<u>1,656,478</u>
Total revenues	<u>2,732,434</u>	<u>2,639,769</u>	<u>-</u>	<u>181,871</u>	<u>2,821,640</u>
<b>Expenditures:</b>					
Current:					
Economic and Physical Development:					
Uptown Parking Deck	\$ 5,194,153	5,075,489	-	-	5,075,489
Center City Revitalization	5,349,156	5,188,656	-	-	5,188,656
Imperial Site Project	957,035	958,085	-	-	958,085
GUC Energy Improvement	100,000	798,233	-	207,021	1,005,254
Energy Efficiency Revolving Loan	1,300,000	251,056	-	-	251,056
Zoning Ordinance Update	150,000	-	-	-	-
West Greenville Revitalization	<u>6,270,918</u>	<u>6,251,630</u>	<u>-</u>	<u>-</u>	<u>6,251,630</u>
Total expenditures	<u>19,321,262</u>	<u>18,523,149</u>	<u>-</u>	<u>207,021</u>	<u>18,730,170</u>
Revenues over (under) expenditures	<u>(16,588,828)</u>	<u>(15,883,380)</u>	<u>-</u>	<u>(25,150)</u>	<u>(15,908,530)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers to other funds	\$ (82,965)	(243,465)	-	-	(243,465)
Transfers from other funds	6,623,046	1,625,500	-	-	1,625,500
Premium received on debt issue	48,747	48,747	-	-	48,747
Long-term debt issued	-	4,997,546	-	-	4,997,546
Bonds issued	<u>10,000,000</u>	<u>10,000,000</u>	<u>-</u>	<u>-</u>	<u>10,000,000</u>
Total other financing sources	<u>16,588,828</u>	<u>16,428,328</u>	<u>-</u>	<u>-</u>	<u>16,428,328</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ 544,948</u>	<u>\$ -</u>	<u>(25,150)</u>	<u>\$ 519,798</u>
<b>Fund Balance:</b>					
Fund balance, beginning of year – July 1				<u>544,948</u>	
Fund balance, end of year – June 30				<u>\$ 519,798</u>	

IT CAPITAL PROJECTS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2023

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Closed Projects</u>	<u>Current Year</u>	<u>Total</u>
<b>Revenues:</b>					
<b>Miscellaneous:</b>					
Other revenues	-	210,578	-	-	210,578
Total Miscellaneous	-	210,578	-	-	210,578
<b>Expenditures:</b>					
Current:					
General Government:					
IT Hardware Upgrades	1,795,991	1,685,097	-	20,870	1,705,967
ERP	\$ 2,500,000	\$ 2,460,426	\$ -	\$ -	\$ 2,460,426
Total expenditures	4,295,991	4,145,523	-	20,870	4,166,393
Revenues under expenditures	(4,295,991)	(3,934,945)	-	(20,870)	(3,955,815)
<b>Other Financing Sources (Uses):</b>					
Transfer from other funds	4,295,991	4,085,413	-	-	4,085,413
Total other financing sources	4,295,991	4,085,413	-	-	4,085,413
Revenues and other financing sources over (under) expenditures	\$ -	\$ 150,468	\$ -	(20,870)	\$ 129,598
<b>Fund Balance:</b>					
Fund balance, beginning of year – July 1				150,468	
Fund balance, end of year – June 30				\$ 129,598	

**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, 2023*

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Closed Projects</u>	<u>Current Year</u>	<u>Total</u>
<b>Revenues:</b>					
Micellaneous:					
Federal Grants	\$ 3,000,000	\$ -	\$ -	\$ 38,720	\$ 38,720
Investment Earnings	-	-	-	145,834	145,834
Sale of Property	<u>480,000</u>	<u>480,000</u>	-	-	<u>480,000</u>
Total miscellaneous	<u>3,480,000</u>	<u>480,000</u>	-	<u>184,554</u>	<u>664,554</u>
Total revenues	<u>3,480,000</u>	<u>480,000</u>	-	<u>184,554</u>	<u>664,554</u>
<b>Expenditures:</b>					
Current:					
Public Safety:					
Fire Communication Equipment	-	201,649	(98,649)	(103,000)	-
Public Safety Communications Equipment	5,500,000	-	-	38,720	38,720
Fire Station #7	6,766,143	2,858,400	-	2,822,005	5,680,405
Fire Station #1 Bay Expansion	<u>728,385</u>	<u>1,110,216</u>	-	<u>43,739</u>	<u>1,153,955</u>
Total expenditures	<u>12,994,528</u>	<u>4,170,265</u>	<u>(98,649)</u>	<u>2,801,464</u>	<u>6,873,080</u>
Revenues over (under) expenditures	<u>(9,514,528)</u>	<u>(3,690,265)</u>	<u>98,649</u>	<u>(2,616,910)</u>	<u>(6,208,526)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds	618,699	220,000	(98,649)	497,348	618,699
Premium received on debt issuance	830,829	840,829	-	-	840,829
Proceeds from long-term debt	<u>8,065,000</u>	<u>5,555,000</u>	-	<u>2,500,000</u>	<u>8,055,000</u>
Total other financing sources (uses)	<u>9,514,528</u>	<u>6,615,829</u>	<u>(98,649)</u>	<u>2,997,348</u>	<u>9,514,528</u>
Revenues and other financing sources (uses) over (under) expenditures	<u>\$ -</u>	<u>\$ 2,925,564</u>	<u>\$ -</u>	<u>380,438</u>	<u>\$ 3,306,002</u>
<b>Fund Balance:</b>					
Beginning of year – July 1				<u>2,925,564</u>	
End of year – June 30				<u>\$ 3,306,002</u>	

## POLICE CAPITAL PROJECTS FUND

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2023

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Closed Projects</u>	<u>Current Year</u>	<u>Total</u>
<b>Revenues:</b>					
Miscellaneous:					
Other	\$ -	\$ 19,604	\$ -	\$ -	\$ 19,604
Interest earnings	-	6,595	-	13	6,608
Total miscellaneous	-	26,199	-	13	26,212
Total revenues	-	26,199	-	13	26,212
<b>Expenditures:</b>					
Current:					
Public Safety:					
New Technology for Public Safety	3,596,358	2,655,371	-	-	2,655,371
Police Telecommunications Software	1,159,676	905,656	-	3,900	909,556
Police Storage Facility	1,832,314	1,626,554	-	-	1,626,554
Public Safety Annex Generator	200,000	-	-	-	-
Total expenditures	6,788,348	5,187,581	-	3,900	5,191,481
Revenues under expenditures	(6,788,348)	(5,161,382)	-	(3,887)	(5,165,269)
<b>Other Financing Sources (Uses):</b>					
Proceeds from installment financing	2,483,034	2,462,778	-	-	2,462,778
Transfer from other funds	4,418,456	3,972,389	-	200,000	4,172,389
Transfer to other funds	(113,142)	(875,072)	-	-	(875,072)
Total other financing sources	6,788,348	5,560,095	-	200,000	5,760,095
Revenues and other financing sources over expenditures	\$ -	\$ 398,713	\$ -	196,113	\$ 594,826
<b>Fund Balance:</b>					
Fund balance, beginning of year – July 1				398,713	
Fund balance, end of year – June 30				\$ 594,826	

## CAPITAL RESERVE FUND

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

YEAR ENDED JUNE 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ Negative</u>
<b>Revenues:</b>			
Investment earnings	\$ -	\$ 64,700	\$ 64,700
Total revenues	<u>-</u>	<u>64,700</u>	<u>64,700</u>
Revenues over expenditures	<u>-</u>	<u>64,700</u>	<u>64,700</u>
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	-	-	-
Increase in reserve	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	<u>-</u>	<u>(1,250,000)</u>	<u>(1,250,000)</u>
Total other financing sources	<u>-</u>	<u>(1,250,000)</u>	<u>(1,250,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>(1,185,300)</u>	<u>\$ (1,185,300)</u>
<b>Fund Balance:</b>			
Fund balance, beginning of year – July 1		<u>4,503,615</u>	
Fund balance, end of year – July 1		<u>\$ 3,318,315</u>	



# Debt Service Fund Statements

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Annual Comprehensive Financial Report  
(ACFR) – Fiscal Year Ending June 30, 2023

NONMAJOR DEBT SERVICE FUND

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

YEAR ENDED JUNE 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ Negative</u>
<b>Revenues:</b>			
Other taxes	\$ 684,958	\$ 680,470	\$ (4,488)
Energy efficient refund	-	-	-
Investment earnings	-	126,472	126,472
Total revenues	<u>684,958</u>	<u>806,942</u>	<u>121,984</u>
<b>Expenditures:</b>			
Current:			
Principal retirement	4,859,121	4,874,120	(14,999)
Interest and fees	1,463,501	1,411,148	52,353
Total expenditures	<u>6,322,622</u>	<u>6,285,268</u>	<u>37,354</u>
Revenues over (under) expenditures	<u>(5,637,664)</u>	<u>(5,478,326)</u>	<u>159,338</u>
<b>Other Financing Sources:</b>			
Appropriated fund balance	-	-	-
Transfers from other funds	5,637,664	5,637,664	-
Transfers to other funds	-	-	-
Total other financing sources	<u>5,637,664</u>	<u>5,637,664</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>159,338</u>	<u>\$ 159,338</u>
<b>Fund Balance:</b>			
Fund balance, beginning of year – July 1		<u>1,182,644</u>	
Fund balance, end of year – June 30		<u>\$ 1,341,982</u>	





# Proprietary Fund Financial Statements

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Annual Comprehensive Financial Report  
(ACFR) – Fiscal Year Ending June 30, 2023



**CITY OF GREENVILLE, NORTH CAROLINA**  
**ELECTRIC OPERATING FUND – MAJOR ENTERPRISE FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)**

**Schedule F-1**

YEAR ENDED JUNE 30, 2023  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2022

	2023		Variance Positive/ Negative	2022
	Budget	Actual		Actual
<b>Revenues:</b>				
Operating Revenues:				
Rates and charges	\$ 174,920,151	\$ 169,332,514	\$ (5,587,637)	\$ 175,816,560
Fees and charges	1,665,500	1,881,741	216,241	1,829,968
Miscellaneous	448,000	513,880	65,880	443,634
Total operating revenues	<u>177,033,651</u>	<u>171,728,135</u>	<u>(5,305,516)</u>	<u>178,090,162</u>
Nonoperating Revenues:				
Interest on investments	680,000	1,235,557	555,557	362,551
FEMA/insurance reimbursements	-	-	-	70,637
Miscellaneous	1,583,019	2,373,193	790,174	3,163,756
Total nonoperating revenues	<u>2,263,019</u>	<u>3,608,750</u>	<u>1,345,731</u>	<u>3,596,944</u>
Total revenues	<u>179,296,670</u>	<u>175,336,885</u>	<u>(3,959,785)</u>	<u>181,687,106</u>
<b>Expenditures:</b>				
Electric Fund:				
Operations and maintenance		163,481,716		164,987,382
Capital outlay		13,150,741		9,963,801
Debt service		4,776,459		4,348,201
Total expenditures	<u>178,639,798</u>	<u>181,408,916</u>	<u>(2,769,118)</u>	<u>179,299,384</u>
Excess of revenues over expenditures	<u>656,872</u>	<u>(6,072,031)</u>	<u>(6,728,903)</u>	<u>2,387,722</u>
<b>Other Financing Sources (Uses):</b>				
Revenue bonds issued	-	287,613	287,613	-
Intrafund transfers in	4,000,000	5,823,323	1,823,323	-
Intrafund transfers out	(500,000)	-	500,000	(1,150,000)
Total other financing uses	<u>3,500,000</u>	<u>6,110,936</u>	<u>2,610,936</u>	<u>(1,150,000)</u>
Revenues and other financing sources over expenditures and other financing uses	<u>\$ 4,156,872</u>	<u>\$ 38,905</u>	<u>\$ (4,117,967)</u>	<u>\$ 1,237,722</u>
Reconciliation to full accrual basis from modified accrual basis:				
Revenues over expenditures		\$ 38,905		\$ 1,237,722
Budgetary appropriations – capital		\$ 13,150,741		\$ 9,963,801
Budgetary appropriations – debt principal		1,841,226		2,035,039
Depreciation		(13,227,844)		(12,301,489)
Debt issued		(287,613)		-
Amortization of bond premium and discount		366,846		308,882
Amortization of deferred loss on refundings		(22,682)		(32,935)
Changes in accrued interest payable		(47,582)		18,767
Changes in arbitrage liability		(1,484)		-
Changes in unrealized gains/losses on investments		(315,316)		(1,875,160)
Intra-fund transfers		(5,823,323)		1,150,000
Changes in deferred outflows for OPEB		(1,116,679)		(926,824)
Changes in net OPEB liability		(48,267)		(676,778)
Changes in deferred inflows for OPEB		1,656,413		2,240,943
Changes in deferred outflows for pensions		2,404,163		455,136
Changes in net pension liability		(7,111,905)		3,838,662
Changes in deferred inflows for pensions		3,737,742		(3,820,936)
Revenue recognized in stabilization funds		548,589		156,760
Revenue recognized in capital projects		262,226		40,189
Total reconciling items		<u>(4,034,749)</u>		<u>574,057</u>
Changes in net position		<u>\$ (3,995,844)</u>		<u>\$ 1,811,779</u>

## WATER OPERATING FUND – MAJOR ENTERPRISE FUND

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

YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2022

	2023		Variance Positive/ Negative	2022
	Budget	Actual		Actual
<b>Revenues:</b>				
Operating Revenues:				
Rates and charges	\$ 24,802,087	\$ 24,649,560	\$ (152,527)	\$ 23,775,785
Fees and charges	422,500	482,960	60,460	518,544
Miscellaneous	59,600	66,635	7,035	57,902
Total operating revenues	25,284,187	25,199,155	(85,032)	24,352,231
Nonoperating Revenues:				
Interest on investments	125,000	215,102		86,237
FEMA/Insurance reimbursements	-	-		20,929
Miscellaneous	196,637	802,470		310,105
Total nonoperating revenues	321,637	1,017,572	(695,935)	417,271
Total revenues	25,605,824	26,216,727	(780,967)	24,769,502
<b>Expenditures:</b>				
Operations and maintenance		19,277,007		15,841,561
Capital outlay		1,130,178		1,350,296
Debt service		2,249,711		2,385,598
Total expenditures	19,717,255	22,656,896	(2,939,641)	19,577,455
Excess of revenues over expenditures	5,888,569	3,559,831	(3,720,608)	5,192,047
<b>Other Financing Sources (Uses):</b>				
Capital contributions	-	2,467,315	2,467,315	6,972,565
Revenue bonds issued	-	18,635	18,635	-
Intra-fund transfers in	-	113,464		-
Intra-fund transfers out	(3,000,000)	(2,860,000)	140,000	(4,900,000)
Total other financing uses	(3,000,000)	(260,586)	2,625,950	2,072,565
Revenues and other financing sources over expenditures and other financing uses	\$ 2,888,569	\$ 3,299,245	\$ (1,094,658)	\$ 7,264,612
Reconciliation to full accrual basis from modified accrual basis:				
Revenues over expenditures		\$ 3,299,245		\$ 7,264,612
Budgetary appropriations - capital		\$ 1,130,178		\$ 1,350,296
Budgetary appropriations - debt principal		1,229,586		1,379,060
Depreciation and amortization		(6,520,256)		(4,793,404)
Debt issued		(18,635)		-
Amortization of bond premium and discount		182,461		178,714
Amortization of deferred loss on refundings		(39,031)		(53,152)
Changes in accrued interest payable		11,200		4,452
Changes in arbitrage liability		(450)		-
Changes in unrealized gains/losses on investments		(94,509)		(503,448)
Intra-fund transfers		2,746,536		4,900,000
Changes in deferred outflows for OPEB		(599,193)		(497,320)
Changes in net OPEB liability		(25,899)		(363,150)
Changes in deferred inflows for OPEB		888,806		1,202,458
Changes in deferred outflows for pensions		1,290,040		244,219
Changes in net pension liability		(3,816,146)		2,059,771
Changes in deferred inflows for pensions		2,005,618		(2,050,259)
Revenue recognized in Capital Projects Fund		320,482		66,567
Revenue recognized in Capital Reserve Fund		476,132		404,399
Total reconciling items		(833,080)		3,529,203
Changes in net position		\$ 2,466,165		\$ 10,793,815

**CITY OF GREENVILLE, NORTH CAROLINA**  
**SEWER OPERATING FUND – MAJOR ENTERPRISE FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)**

**Schedule F-3**

YEAR ENDED JUNE 30, 2023  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2022

	2023		Variance Positive/ Negative	2022
	Budget	Actual		Actual
<b>Revenues:</b>				
Operating Revenues:				
Rates and charges	\$ 24,678,017	\$ 24,237,206	\$ (440,811)	\$ 24,202,207
Fees and charges	450,225	564,459	114,234	409,118
Miscellaneous	57,500	70,283	12,783	55,659
Total operating revenues	<u>25,185,742</u>	<u>24,871,948</u>	<u>(313,794)</u>	<u>24,666,984</u>
Nonoperating Revenues:				
Interest on investments	110,000	204,009	94,009	68,527
FEMA/insurance reimbursements	-	-	-	20,929
Miscellaneous	68,498	193,142	124,644	125,404
Total nonoperating revenues	<u>178,498</u>	<u>397,151</u>	<u>218,653</u>	<u>214,860</u>
Total revenues	<u>25,364,240</u>	<u>25,269,099</u>	<u>(95,141)</u>	<u>24,881,844</u>
<b>Expenditures:</b>				
Sewer Fund:				
Operations and maintenance		18,031,083		16,018,676
Capital outlay		1,958,978		1,557,975
Debt service		4,601,404		4,733,763
Total expenditures	<u>23,105,527</u>	<u>24,591,465</u>	<u>(1,485,938)</u>	<u>22,310,414</u>
Excess of revenues over expenditures	<u>2,258,713</u>	<u>677,634</u>	<u>(1,581,079)</u>	<u>2,571,430</u>
<b>Other Financing Sources (Uses):</b>				
Capital contributions	-	3,228,060	3,228,060	10,514,589
Revenue bonds issued	-	69,148	69,148	-
Intra-fund transfers in	-	142,007	142,007	-
Intra-fund transfers out	(1,150,000)	(735,000)	415,000	(2,350,000)
Total other financing uses	<u>(1,150,000)</u>	<u>2,704,215</u>	<u>3,854,215</u>	<u>8,164,589</u>
Revenues and other financing sources over expenditures and other financing uses	<u>\$ 1,108,713</u>	<u>\$ 3,381,849</u>	<u>\$ 2,273,136</u>	<u>\$ 10,736,019</u>
Reconciliation to full accrual basis from modified accrual basis:				
Revenues over (under) expenditures		<u>\$ 3,381,849</u>		<u>\$ 10,736,019</u>
Budgetary appropriations - capital		\$ 1,958,978		\$ 1,557,975
Budgetary appropriations - debt principal		2,708,638		2,951,229
Depreciation and amortization		(7,890,476)		(7,572,573)
Debt issued		(69,148)		-
Amortization of bond premium and discount		525,940		511,933
Amortization of deferred loss on refundings		(40,338)		(54,509)
Changes in accrued interest payable		5,092		9,154
Changes in arbitrage liability		(371)		-
Changes in unrealized gains/losses on investments		(84,382)		(507,483)
Intra-fund transfers		592,993		2,350,000
Changes in deferred outflows for OPEB		(571,957)		(474,714)
Changes in net OPEB liability		(24,723)		(346,644)
Changes in deferred inflows for OPEB		848,407		1,147,801
Changes in deferred outflows for pensions		1,231,402		233,118
Changes in net pension liability		(3,642,685)		1,966,145
Changes in deferred inflows for pensions		1,914,454		(1,957,066)
Revenue recognized in Capital Projects Fund		692,136		1,136,125
Revenue recognized in Capital Reserve Fund		555,425		485,202
Total reconciling items		<u>(1,290,615)</u>		<u>1,435,693</u>
Changes in net position		<u>\$ 2,091,234</u>		<u>\$ 12,171,712</u>

**CITY OF GREENVILLE, NORTH CAROLINA**  
**GAS OPERATING FUND – MAJOR ENTERPRISE FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)**

**Schedule F-4**

YEAR ENDED JUNE 30, 2023  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2022

	2023		Variance Positive/ Negative	2022
	Budget	Actual		Actual
<b>Revenues:</b>				
Operating Revenues:				
Rates and charges	\$ 47,355,248	\$ 46,411,685	\$ (943,563)	\$ 40,267,857
Fees and charges	177,000	170,191	(6,809)	177,012
Miscellaneous	28,250	41,725	13,475	37,013
Total operating revenues	47,560,498	46,623,601	(936,897)	40,481,882
Nonoperating Revenues:				
Interest on investments	175,000	366,435	191,435	114,895
FEMA/insurance reimbursements	-	-	-	18,313
Miscellaneous	197,262	376,685	179,423	241,381
Total nonoperating revenues	372,262	743,120	370,858	374,589
Total revenues	47,932,760	47,366,721	(566,039)	40,856,471
<b>Expenditures:</b>				
Gas Fund:				
Operations and maintenance		42,453,342		38,012,708
Capital outlay		1,402,848		1,537,495
Debt service		1,201,345		1,532,576
Total expenditures	46,432,760	45,057,535	1,375,225	41,082,779
Excess of revenues over (under) expenditures	1,500,000	2,309,186	809,186	(226,308)
<b>Other Financing Sources (Uses):</b>				
Revenue bonds issued	-	-	-	-
Intrafund transfers in	-	107,597	107,597	275,000
Intrafund transfers out	(1,500,000)	(2,000,000)	(500,000)	-
Total other financing sources (uses)	(1,500,000)	(1,892,403)	(392,403)	275,000
Revenues and other financing sources under expenditures and other financing uses	\$ -	\$ 416,783	\$ 416,783	\$ 48,692
<b>Reconciliation to Full Accrual Basis From Modified Accrual Basis:</b>				
Revenues over (under) expenditures		\$ 416,783		\$ 48,692
Budgetary appropriations - capital		\$ 1,402,848		\$ 1,537,495
Budgetary appropriations - debt principal		493,350		806,287
Depreciation and amortization		(2,919,514)		(2,844,860)
Debt issued		-		-
Amortization of bond premium and discount		90,243		90,243
Amortization of deferred loss on refundings		(2,441)		(6,136)
Changes in accrued interest payable		6,318		6,968
Changes in arbitrage liability		(344)		-
Changes in unrealized gains/losses on investments		(117,986)		(648,854)
Intra-fund transfers		1,892,403		(275,000)
Changes in deferred outflows for OPEB		(435,777)		(361,687)
Changes in net OPEB liability		(18,836)		(264,109)
Changes in deferred inflows for OPEB		646,405		874,514
Changes in deferred outflows for pensions		938,212		177,614
Changes in net pension liability		(2,775,379)		1,498,014
Changes in deferred inflows for pensions		1,458,631		(1,491,097)
Revenue recognized in Rate Stabilization Fund		87,952		24,634
Revenue recognized in Capital Projects Fund		124,942		54,412
Total reconciling items		871,027		(821,562)
Changes in net position		\$ 1,287,810		\$ (772,870)

**CITY OF GREENVILLE, NORTH CAROLINA**  
**STORMWATER UTILITY FUND – MAJOR ENTERPRISE FUNDS**  
**SCHEDULE OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)**

**Schedule F-5**

YEAR ENDED JUNE 30, 2023  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2022

	2023		Variance Positive/ Negative	2022
	Budget	Actual		Actual
<b>Revenues:</b>				
Charges for services	\$ 8,535,490	\$ 8,695,784	\$ 160,294	\$ 7,383,251
Other operating revenue	-	7,261	7,261	-
Total operating revenues	<u>8,535,490</u>	<u>8,703,045</u>	<u>167,555</u>	<u>7,383,251</u>
<b>Expenditures:</b>				
Administrative and general	314,242	183,447	130,795	107,425
Operations and maintenance	1,630,715	950,860	679,855	757,272
Salaries and benefits	2,398,579	2,400,725	(2,146)	2,085,745
Capital outlay	3,303,503	2,094,727	1,208,776	897,289
Retirement of long-term debt	1,629,178	1,846,291	(217,113)	1,724,960
Interest paid	148,361	260,741	(112,380)	167,103
Indirect cost reimbursement	435,791	435,791	-	435,791
Total operating expenses	<u>9,860,369</u>	<u>8,172,582</u>	<u>1,687,787</u>	<u>6,175,585</u>
Revenues over expenditures	<u>(1,324,879)</u>	<u>530,463</u>	<u>1,855,342</u>	<u>1,207,666</u>
<b>Other Financing Sources (Uses):</b>				
Capital contributions	-	2,022,273	2,022,273	493,008
Transfers to other funds	(1,158,775)	(1,158,775)	-	(140,000)
Appropriated fund balance	<u>2,483,654</u>	-	<u>(2,483,654)</u>	-
Total other financing sources (uses)	<u>1,324,879</u>	<u>863,498</u>	<u>(461,381)</u>	<u>353,008</u>
Revenues and other financing sources (uses) over expenditures and other financing uses	<u>\$ -</u>	<u>1,393,961</u>	<u>\$ 1,393,961</u>	<u>1,560,674</u>
<b>Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:</b>				
Full accrual change in net position--capital projects		(40,589)		3,595,152
Depreciation		(1,012,253)		(1,043,566)
Increase in deferred outflows of resources - pensions		333,629		34,582
Increase in deferred outflows of resources - OPEB		(111,544)		312,791
Decrease (increase) in net pension liability		(912,182)		619,290
Decrease (increase) in net OPEB liability		(50,862)		(446,966)
(Increase) decrease in deferred inflows of resources - pensions		424,607		(1,138,504)
(Increase) decrease in deferred inflows of resources - OPEB		(117,324)		684,833
Capital outlay		-		121,180
Payment of debt principal		<u>1,846,291</u>		<u>1,724,960</u>
Change in net position		<u>\$ 1,753,734</u>		<u>\$ 6,024,426</u>

ENTERPRISE CAPITAL PROJECTS FUND – MAJOR ENTERPRISE FUNDS

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

FROM INCEPTION AND YEAR ENDED JUNE 30, 2023

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Closed Projects</u>	<u>Current Year</u>	<u>Total</u>
<b>Revenues:</b>					
Miscellaneous:					
Other	\$ -	\$ 3,949,213	\$ -	\$ -	\$ 3,949,213
Interest earnings	-	156	-	-	156
Total miscellaneous	<u>-</u>	<u>3,949,369</u>	<u>-</u>	<u>-</u>	<u>3,949,369</u>
Total revenues	<u>-</u>	<u>3,949,369</u>	<u>-</u>	<u>-</u>	<u>3,949,369</u>
<b>Expenditures:</b>					
Current:					
Stormwater:					
Stormwater Drainage Maintenance	1,281,000	124,611	-	-	124,611
Watershed	19,265,270	5,531,161	-	40,589	5,571,750
Town Creek Culvert	<u>35,503,387</u>	<u>32,390,185</u>	<u>-</u>	<u>-</u>	<u>32,390,185</u>
Total expenditures	<u>56,049,657</u>	<u>38,045,957</u>	<u>-</u>	<u>40,589</u>	<u>38,086,546</u>
Revenues under expenditures	<u>(56,049,657)</u>	<u>(34,096,588)</u>	<u>-</u>	<u>(40,589)</u>	<u>(34,137,177)</u>
<b>Other Financing Sources (Uses):</b>					
Capital Contributions	195,490	179,747	-	-	179,747
State revolving loan	30,540,283	31,679,227	-	-	31,679,227
Long term debt issued	12,000,000	-	-	-	-
Transfers from other funds	13,313,884	11,589,370	-	-	11,589,370
Transfer to other funds	<u>-</u>	<u>(1,081,172)</u>	<u>-</u>	<u>-</u>	<u>(1,081,172)</u>
Total other financing sources	<u>56,049,657</u>	<u>42,367,172</u>	<u>-</u>	<u>-</u>	<u>42,367,172</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 8,270,584</u>	<u>\$ -</u>	<u>(40,589)</u>	<u>\$ 8,229,995</u>

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

Schedule F-7

JUNE 30, 2023

	<b>Public</b>		
	<b>Transportation</b>	<b>Sanitation</b>	
	<b>Fund</b>	<b>Fund</b>	<b>Total</b>
<b>Assets:</b>			
Current Assets:			
Cash and cash equivalents	\$ 1	\$ 6,190,922	\$ 6,190,923
Accounts receivable, net	975,874	964,506	1,940,380
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	-	-	-
<b>Total current assets</b>	<u>976,406</u>	<u>7,168,127</u>	<u>8,144,533</u>
Noncurrent Assets:			
Construction in progress	-	-	-
Other capital assets, net of depreciation	1,132,103	33,850	1,165,953
Right to use leased asset, net of amortization	-	59,732	59,732
<b>Total noncurrent assets</b>	<u>1,132,103</u>	<u>93,582</u>	<u>1,225,685</u>
<b>Total assets</b>	<u>2,108,509</u>	<u>7,261,709</u>	<u>9,370,218</u>
Deferred outflows of resources - refunding charges			
Deferred outflows of resources - refunding charges	-	-	-
Deferred outflows of resources - pensions	314,940	1,030,100	1,345,040
Deferred outflows of resources - OPEB	428,058	1,400,653	1,828,711
<b>Total deferred outflows of resources</b>	<u>742,998</u>	<u>2,430,753</u>	<u>3,173,751</u>
<b>Liabilities:</b>			
Current Liabilities:			
Accounts payable and accrued liabilities	88,175	168,330	256,505
Due to other funds	718,249	-	718,249
Current portion of compensated absences	19,510	173,584	193,094
Current maturities of long-term debt	-	57,470	57,470
<b>Total current liabilities</b>	<u>825,934</u>	<u>399,384</u>	<u>1,225,318</u>
Noncurrent Liabilities:			
Net pension liability	489,909	1,602,383	2,092,292
Noncurrent portion of compensated absences	88	74,393	74,481
Net OPEB liability	839,158	2,745,820	3,584,978
Noncurrent portion of long-term leases	-	-	-
<b>Total noncurrent liabilities</b>	<u>1,329,155</u>	<u>4,422,596</u>	<u>5,751,751</u>
<b>Total liabilities</b>	<u>2,155,089</u>	<u>4,821,980</u>	<u>6,977,069</u>
Deferred inflow of resources - pensions			
Deferred inflow of resources - pensions	13,065	42,732	55,797
Deferred inflow of resources - OPEB	558,476	1,827,394	2,385,870
<b>Total deferred outflows of resources</b>	<u>571,541</u>	<u>1,870,126</u>	<u>2,441,667</u>
<b>Net Position:</b>			
Net investment in capital assets	1,132,101	36,112	1,168,213
Unrestricted	(1,007,224)	2,964,244	1,957,020
<b>Total net position</b>	<u>\$ 124,877</u>	<u>\$ 3,000,356</u>	<u>\$ 3,125,233</u>

## NONMAJOR ENTERPRISE FUNDS

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

YEAR ENDED JUNE 30, 2023

	<b>Public Transportation Fund</b>	<b>Sanitation Fund</b>	<b>Total</b>
<b>Operating Revenues:</b>			
Charges for services	\$ 8,302	\$ 8,657,757	\$ 8,666,059
Other operating revenues	55,758	104,159	159,917
Total operating revenue	<u>64,060</u>	<u>8,761,916</u>	<u>8,825,976</u>
<b>Operating Expenses:</b>			
Administrative and general	120,069	-	120,069
Operations and maintenance	2,587,376	8,239,258	10,826,634
Depreciation and amortization	258,326	90,540	348,866
Total operating expenses	<u>2,965,771</u>	<u>8,329,798</u>	<u>11,295,569</u>
Operating income (loss)	<u>(2,901,711)</u>	<u>432,118</u>	<u>(2,469,593)</u>
<b>Nonoperating Revenues (Expenses):</b>			
Federal grants	2,179,341	-	2,179,341
Interest expense	-	-	-
Total nonoperating revenue (expenses)	<u>2,179,341</u>	<u>-</u>	<u>2,179,341</u>
Income (loss) before contributions and transfers	<u>(722,370)</u>	<u>432,118</u>	<u>(290,252)</u>
<b>Transfers In (Out) and Capital Contributions:</b>			
Capital contributions	-	11,050	11,050
Transfers to other funds	-	(250,010)	(250,010)
Transfers from other funds	771,894	-	771,894
Total transfers in (out) and capital contributions:	<u>771,894</u>	<u>(238,960)</u>	<u>532,934</u>
Change in net position	49,524	193,158	242,682
Net position, beginning of year – July 1	<u>75,353</u>	<u>2,807,198</u>	<u>2,882,551</u>
Net position, end of year – June 30	<u>\$ 124,877</u>	<u>\$ 3,000,356</u>	<u>\$ 3,125,233</u>



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

**Schedule F-9**

YEAR ENDED JUNE 30, 2023

	<b>Public Transportation Fund</b>	<b>Sanitation Fund</b>	<b>Total</b>
<b>Cash flows from Operating Activities:</b>			
Cash received from customers	\$ 64,060	\$ 8,774,016	\$ 8,838,076
Cash paid to vendors	(1,597,310)	(5,021,468)	(6,618,778)
Cash paid to employees	(1,024,915)	(2,520,646)	(3,545,561)
Net cash provided (used) by operating activities	<u>(2,558,165)</u>	<u>1,231,902</u>	<u>(1,326,263)</u>
<b>Cash from Noncapital Financing Activities:</b>			
Repayment of principal of long-term debt	-	(104,866)	(104,866)
Interest and other financing costs	-	(2)	(2)
Borrowing/Repayments from/to other funds	639,464	-	639,464
Federal and State grants	1,144,734	-	1,144,734
Transfers from other funds	771,894	-	771,894
Transfers to other funds	-	(250,010)	(250,010)
Net cash provided (used) by noncapital financing activities	<u>2,556,092</u>	<u>(354,878)</u>	<u>2,201,214</u>
<b>Cash from Capital and Related Financing Activities:</b>			
Repayment of principal of long-term debt	-	-	-
Proceeds from issuance of debt	-	-	-
Lease Liability Issued	-	-	-
Interest and other financing costs	-	-	-
Capital contributions	-	11,050	11,050
Acquisition and construction of capital assets	-	-	-
Net cash used by capital and related financing activities	<u>-</u>	<u>11,050</u>	<u>11,050</u>
<b>Cash from Investing Activities:</b>			
Interest received on investments	-	-	-
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(2,073)	888,074	886,001
<b>Cash and Cash Equivalents:</b>			
Beginning of year – July 1	<u>2,074</u>	<u>5,302,848</u>	<u>5,304,922</u>
End of year – June 30	<u>\$ 1</u>	<u>\$ 6,190,922</u>	<u>\$ 6,190,923</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ (2,901,711)	\$ 432,118	\$ (2,469,593)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	258,326	90,540	348,866
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	-	12,100	12,100
(Increase) decrease in deferred outflow of resources - pensions	(119,354)	(453,880)	(573,234)
(Increase) decrease in deferred outflows of resources - OPEB	87,539	117,692	205,231
Increase (decrease) in net pension liability	360,345	1,220,674	1,581,019
Increase (decrease) in deferred inflows of resources - pensions	(189,831)	(555,025)	(744,856)
Increase (decrease) in deferred inflows of resources - OPEB	2,345	189,684	192,029
Increase (decrease) in due to other governments	-	-	-
Increase (decrease) in accounts payable	2,550	29,138	31,688
Increase (decrease) in compensated absences payable	(6,280)	27,628	21,348
Increase (decrease) in OPEB liability	(52,094)	121,233	69,139
Net cash provided (used) by operating activities	<u>\$ (2,558,165)</u>	<u>\$ 1,231,902</u>	<u>\$ (1,326,263)</u>
<b>Noncash Investing, Capital, and Financing Activities:</b>			
Amortization of loss on refunding	\$ -	\$ -	\$ -
Capital contribution	<u>-</u>	<u>-</u>	<u>-</u>
Total noncash investing, capital, and financing activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## PUBLIC TRANSPORTATION – NONMAJOR ENTERPRISE FUNDS

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

YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2022

	2023		Variance Positive/ Negative	2022
	Budget	Actual		Actual
<b>Revenues:</b>				
Charges for services	272,000	8,302	(263,698)	-
Public transportation planning, operating, and capital grants	3,008,082	2,179,341	(828,741)	2,383,899
Other operating revenues	50,000	55,758	5,758	53,523
Total operating revenues	<u>3,330,082</u>	<u>2,243,401</u>	<u>(1,086,681)</u>	<u>2,437,422</u>
<b>Expenditures:</b>				
Administrative and general	287,349	120,069	167,280	148,777
Operations and maintenance	1,953,574	1,022,848	930,726	739,237
Salaries and benefits	1,171,479	1,107,586	63,893	1,331,238
Capital outlay	787,470	367,992	419,478	470,548
Total operating expenditures	<u>4,199,872</u>	<u>2,618,495</u>	<u>1,581,377</u>	<u>2,689,800</u>
Revenues over (under) expenditures	<u>(869,790)</u>	<u>(375,094)</u>	<u>494,696</u>	<u>(252,378)</u>
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	89,073	-	(89,073)	-
Transfers from other funds	780,717	771,894	(8,823)	4,319
Total other financing sources (uses)	<u>869,790</u>	<u>771,894</u>	<u>(97,896)</u>	<u>4,319</u>
Revenues and other financing sources (uses) over (under) expenditures and other financing uses	<u>\$ -</u>	<u>396,800</u>	<u>\$ 396,800</u>	<u>(248,059)</u>
<b>Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:</b>				
Depreciation		(258,326)		(258,326)
Increase in deferred outflows of resources - pensions		119,354		10,157
Increase in deferred outflows of resources - OPEB		(87,539)		(137,559)
Decrease (increase) in net pension liability		(360,345)		221,698
Change in net OPEB liability		52,094		630,928
(Increase) decrease in deferred inflows of resources - pensions		189,831		(197,233)
(Increase) decrease in deferred inflows of resources - OPEB		(2,345)		(489,165)
Change in net position		<u>\$ 49,524</u>		<u>\$ (467,559)</u>

## SANITATION FUND – NONMAJOR ENTERPRISE FUNDS

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

YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2022

	2023		Variance Positive/ Negative	2022
	Budget	Actual		Actual
<b>Operating Revenues:</b>				
Charges for services	\$ 8,292,180	\$ 8,657,757	\$ 365,577	\$ 8,579,076
Grant revenue	-	11,050	11,050	-
Other operating revenues	95,300	104,159	8,859	98,770
Total operating revenues	<u>8,387,480</u>	<u>8,772,966</u>	<u>385,486</u>	<u>8,677,846</u>
<b>Operating Expenditures:</b>				
Operations and maintenance	4,334,311	3,495,566	718,968	3,078,984
Salaries and benefits	3,203,461	3,188,652	149,507	2,949,655
Capital outlay	-	-	150,000	-
Principal retirement	-	61,549	-	112,142
Interest paid	-	-	2,305	4,325
Indirect cost reimbursement	914,662	914,662	-	914,662
Total operating expenditures	<u>8,452,434</u>	<u>7,660,429</u>	<u>1,020,780</u>	<u>7,059,768</u>
Revenues over expenditures	<u>(64,954)</u>	<u>1,112,537</u>	<u>1,177,491</u>	<u>1,618,078</u>
<b>Other Financing Sources (Uses):</b>				
Capital Contributions	-	-	-	-
Appropriated fund balance	376,513	-	(376,513)	-
Transfers to other funds	(311,559)	(250,010)	61,549	-
Total other financing sources (uses)	<u>64,954</u>	<u>(250,010)</u>	<u>(314,964)</u>	<u>-</u>
Revenues and other financing sources (uses) over expenditures and other financing uses	<u>\$ -</u>	<u>862,527</u>	<u>\$ 862,527</u>	<u>1,618,078</u>
<b>Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:</b>				
Depreciation and amortization		(90,540)		(90,539)
Decrease/(increase) in deferred outflows of resources - pensions		453,880		27,505
(Decrease)/increase in deferred outflows of resources - OPEB		(117,692)		(419,919)
Decrease in net pension liability		(1,220,673)		657,733
Increase in net OPEB liability		(121,233)		1,892,531
Decrease/(increase) in deferred inflows of resources - pensions		555,024		(580,999)
Decrease/(increase) in deferred inflows of resources - OPEB		(189,684)		(1,438,988)
Payment of debt principal		61,549		112,142
Change in net position		<u>\$ 193,158</u>		<u>\$ 1,777,544</u>



# Internal Service Fund Statements

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Annual Comprehensive Financial Report  
(ACFR) – Fiscal Year Ending June 30, 2022

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

**Schedule G-1**

JUNE 30, 2023

	<u>Vehicle Replacement Fund</u>	<u>Health Insurance Fund</u>	<u>Fleet Maintenance Fund</u>	<u>Facilities Improvement Fund</u>	<u>Total</u>
<b>Assets:</b>					
Current Assets:					
Cash, cash equivalents, and investments	\$ 6,294,960	\$ 6,959,610	\$ 1	\$ 1,318,243	\$ 14,572,814
Accounts receivable	-	408,154	1,000	-	409,154
Due from other funds	-	42,743	-	-	42,743
Prepaid items	-	-	214,132	-	214,132
Due from other governments	-	-	-	-	-
Inventories	-	-	-	-	-
Restricted cash, cash equivalents, and investments	-	-	-	-	-
<b>Total current assets</b>	<u>6,294,960</u>	<u>7,410,507</u>	<u>215,133</u>	<u>1,318,243</u>	<u>15,238,843</u>
Noncurrent Assets:					
Construction in process	210,885	-	-	-	210,885
Other capital assets, net	15,975,068	57,337	60,048	539,571	16,632,024
<b>Total noncurrent assets</b>	<u>16,185,953</u>	<u>57,337</u>	<u>60,048</u>	<u>539,571</u>	<u>16,842,909</u>
<b>Total assets</b>	<u>22,480,913</u>	<u>7,467,844</u>	<u>275,181</u>	<u>1,857,814</u>	<u>32,081,752</u>
Deferred outflows of resources - pensions	-	-	545,513	-	545,513
Deferred outflows of resources - OPEB	-	-	742,550	-	742,550
<b>Total deferred outflows of resources</b>	<u>-</u>	<u>-</u>	<u>1,288,063</u>	<u>-</u>	<u>1,288,063</u>
<b>Liabilities:</b>					
Current Liabilities:					
Accounts payable	1,872	2,067,479	182,881	225,021	2,477,253
Due to other funds	-	-	114,756	-	114,756
<b>Total current liabilities</b>	<u>1,872</u>	<u>2,067,479</u>	<u>297,637</u>	<u>225,021</u>	<u>2,592,009</u>
Noncurrent Liabilities:					
Net Pension Liability	-	-	848,576	-	848,576
Net OPEB Liability	-	-	1,455,684	-	1,455,684
<b>Total noncurrent liabilities</b>	<u>-</u>	<u>-</u>	<u>2,304,260</u>	<u>-</u>	<u>2,304,260</u>
<b>Total liabilities</b>	<u>1,872</u>	<u>2,067,479</u>	<u>2,601,897</u>	<u>225,021</u>	<u>4,896,269</u>
Deferred inflows of resources - pensions	-	-	22,630	-	22,630
Deferred inflows of resources - OPEB	-	-	968,785	-	968,785
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>991,415</u>	<u>-</u>	<u>991,415</u>
<b>Net Position:</b>					
Net investment in capital assets	16,185,953	57,337	60,048	539,571	16,842,909
Unrestricted	6,293,088	5,343,028	(2,090,116)	1,093,222	10,639,222
<b>Total net position</b>	<u>\$ 22,479,041</u>	<u>\$ 5,400,365</u>	<u>\$ (2,030,068)</u>	<u>\$ 1,632,793</u>	<u>\$ 27,482,131</u>

## INTERNAL SERVICE FUNDS

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

YEAR ENDED JUNE 30, 2023

	Vehicle Replacement Fund	Health Insurance Fund	Fleet Maintenance Fund	Facilities Improvement Fund	Total
<b>Operating Revenues:</b>					
Charges for services	\$ 4,101,077	\$ 11,044,175	\$ 5,932,848	\$ -	\$ 21,078,100
Other operating revenues	487,832	-	-	-	487,832
Total operating revenues	<u>4,588,909</u>	<u>11,044,175</u>	<u>5,932,848</u>	<u>-</u>	<u>21,565,932</u>
<b>Operating Expenses:</b>					
Administration	-	491,829	-	-	491,829
Operations and maintenance	-	-	4,464,029	1,113,270	5,577,299
Salaries and benefits	-	-	1,765,313	-	1,765,313
Depreciation	2,984,086	4,120	15,187	76,402	3,079,795
Claims and payments to third party administrators	-	11,460,059	-	-	11,460,059
Total operating expenses	<u>2,984,086</u>	<u>11,956,008</u>	<u>6,244,529</u>	<u>1,189,672</u>	<u>22,374,295</u>
Operating income (loss)	<u>1,604,823</u>	<u>(911,833)</u>	<u>(311,681)</u>	<u>(1,189,672)</u>	<u>(808,363)</u>
<b>Nonoperating Expenses:</b>					
Loss on disposal of capital assets	-	-	-	(1,167)	(1,167)
Total nonoperating expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,167)</u>	<u>(1,167)</u>
Operating income (loss) before contributions and transfers	<u>1,604,823</u>	<u>(911,833)</u>	<u>(311,681)</u>	<u>(1,190,839)</u>	<u>(809,530)</u>
<b>Transfers In and Capital Contributions:</b>					
Transfers to other funds	-	-	-	(62,660)	(62,660)
Transfers from other funds	-	-	809,742	1,200,000	2,009,742
Total transfers in and capital contributions	<u>-</u>	<u>-</u>	<u>809,742</u>	<u>1,137,340</u>	<u>1,947,082</u>
Change in net position	1,604,823	(911,833)	498,061	(53,499)	1,137,552
<b>Net Position:</b>					
Net position, beginning of year – July 1	<u>20,874,218</u>	<u>6,312,198</u>	<u>(2,528,129)</u>	<u>1,686,292</u>	<u>26,344,579</u>
Net position, end of year – June 30	<u>\$ 22,479,041</u>	<u>\$ 5,400,365</u>	<u>\$ (2,030,068)</u>	<u>\$ 1,632,793</u>	<u>\$ 27,482,131</u>

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

**Schedule G-3**

YEAR ENDED JUNE 30, 2023

	<b>Vehicle Replacement Fund</b>	<b>Health Insurance Fund</b>	<b>Fleet Maintenance Fund</b>	<b>Facilities Improvement Fund</b>	<b>Total</b>
<b>Cash Flows from Operating Activities:</b>					
Cash received from customers	\$ 4,588,909	\$ 10,704,781	\$ 5,932,848	\$ -	\$ 21,226,538
Cash paid to vendors	(128,374)	(11,991,903)	(4,364,570)	(1,100,661)	(17,585,508)
Cash paid to employees	-	-	(1,577,566)	-	(1,577,566)
Net cash provided (used) by operating activities	<u>4,460,535</u>	<u>(1,287,122)</u>	<u>(9,288)</u>	<u>(1,100,661)</u>	<u>2,063,464</u>
<b>Cash Flows from Noncapital Financing Activities:</b>					
Transfers from other funds	-	-	809,742	1,200,000	2,009,742
Repayments to (from) other funds	(947)	-	(792,720)	(62,660)	(856,327)
Net cash provided (used) by noncapital financing activities	<u>(947)</u>	<u>-</u>	<u>17,022</u>	<u>1,137,340</u>	<u>1,153,415</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Loss on disposal of asset	-	-	-	(1,167)	(1,167)
Acquisition and construction of capital assets	(5,577,489)	-	(18,439)	(46,742)	(5,642,670)
Net cash used by capital and related financing activities	<u>(5,577,489)</u>	<u>-</u>	<u>(18,439)</u>	<u>(47,909)</u>	<u>(5,643,837)</u>
Net increase in cash and cash equivalents	(1,117,901)	(1,287,122)	(10,705)	(11,230)	(2,426,958)
<b>Cash and Cash Equivalents</b>					
Beginning of year – July 1	<u>7,412,861</u>	<u>8,246,732</u>	<u>10,706</u>	<u>1,329,473</u>	<u>16,999,772</u>
End of year – June 30	<u>\$ 6,294,960</u>	<u>\$ 6,959,610</u>	<u>\$ 1</u>	<u>\$ 1,318,243</u>	<u>\$ 14,572,814</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>					
Operating income (loss)	\$ 1,604,823	\$ (911,833)	\$ (311,681)	\$ (1,189,672)	\$ (808,363)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	2,984,086	4,120	15,187	76,402	3,079,795
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	-	(339,394)	-	-	(339,394)
Decrease in pension asset	-	-	-	-	-
Change in deferred outflow of resources - pensions	-	-	(213,118)	-	(213,118)
Change in deferred outflow of resources - OPEB	-	-	135,743	-	135,743
Increase in prepaids	-	-	-	-	-
Increase (decrease) in unearned revenue	-	-	-	-	-
Change in net pension liability	-	-	628,386	-	628,386
Change in net OPEB liability	-	-	(62,520)	-	(62,520)
Change in deferred inflows of resources - pensions	-	-	(322,188)	-	(322,188)
Change in deferred inflows of resources - OPEB	-	-	21,444	-	21,444
Change in accounts payable	(128,374)	(40,015)	99,459	12,609	(56,321)
Net cash provided (used) by operating activities	<u>\$ 4,460,535</u>	<u>\$ (1,287,122)</u>	<u>\$ (9,288)</u>	<u>\$ (1,100,661)</u>	<u>\$ 2,063,464</u>

## VEHICLE REPLACEMENT – INTERNAL SERVICE FUNDS

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

YEAR ENDED JUNE 30, 2023

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Positive/ Negative</u>
<b>Operating Revenues:</b>			
Charges for services	\$ 5,153,938	\$ 4,101,077	\$ (1,052,861)
Other operating revenues	-	487,832	487,832
Total operating revenues	<u>5,153,938</u>	<u>4,588,909</u>	<u>(565,029)</u>
<b>Operating Expenditures:</b>			
Capital outlay	<u>10,645,862</u>	<u>5,577,489</u>	<u>5,068,373</u>
Total operating expenditures			
Revenues over (under) expenditures	<u>(5,491,924)</u>	<u>(988,580)</u>	<u>4,503,344</u>
<b>Other Financing Sources (Uses):</b>			
Fund balance appropriated	-	-	-
Transfers from other funds	<u>5,491,924</u>	-	<u>(5,491,924)</u>
Total other financing sources (uses)	<u>5,491,924</u>	-	<u>(5,491,924)</u>
Revenues and other financing sources (uses) under expenditures and other financing uses	<u>\$ -</u>	<u>(988,580)</u>	<u>\$ (988,580)</u>
<b>Reconciliation from Financial Plan Basis (Modified Accrual) to Full Accrual:</b>			
Depreciation		(2,984,086)	
Capital outlay		5,577,489	
Change in net position		<u>\$ 1,604,823</u>	



## HEALTH INSURANCE – INTERNAL SERVICE FUNDS

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

YEAR ENDED JUNE 30, 2023

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Positive/ Negative</u>
<b>Operating Revenues:</b>			
Charges for services	\$ 13,719,480	\$ 11,044,175	\$ (2,675,305)
Other operating revenues	-	-	-
Total operating revenues	<u>13,719,480</u>	<u>11,044,175</u>	<u>(2,675,305)</u>
<b>Operating Expenditures:</b>			
Administration	\$ 789,141	\$ 491,829	297,312
Payment to third party administrator	13,469,507	11,460,059	2,009,448
Total operating expenditures	<u>14,258,648</u>	<u>11,951,888</u>	<u>2,306,760</u>
Revenues over (under) expenditures	<u>(539,168)</u>	<u>(907,713)</u>	<u>(368,545)</u>
<b>Other Financing Sources (Uses):</b>			
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>(907,713)</u>	<u>\$ (907,713)</u>
<b>Reconciliation from Financial Plan Basis (Modified Accrual) to Full Accrual:</b>			
Depreciation		<u>(4,120)</u>	
Change in net position		<u>\$ (911,833)</u>	

FLEET MAINTENANCE – INTERNAL SERVICE FUNDS

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

YEAR ENDED JUNE 30, 2023

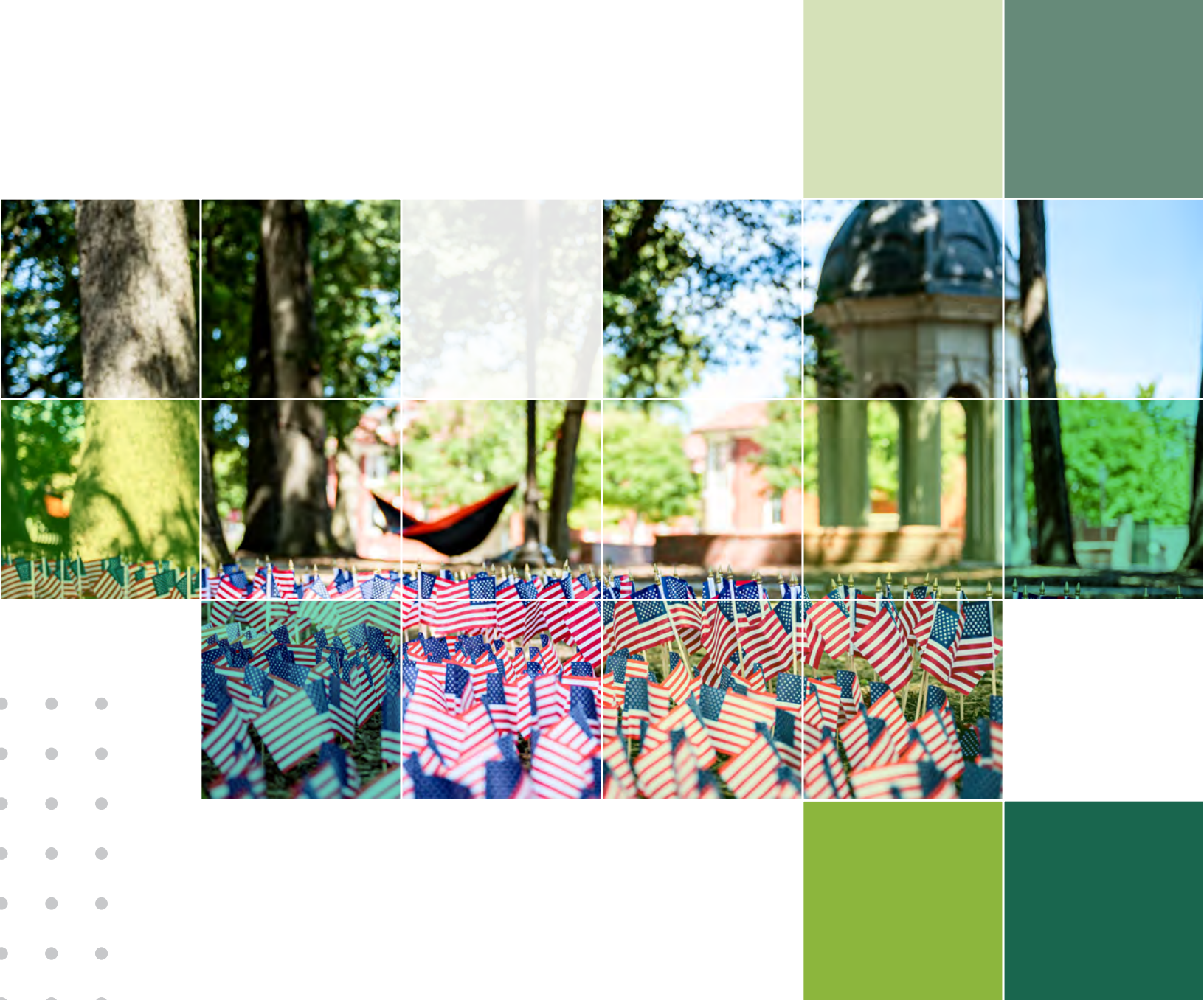
	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Positive/ Negative</u>
<b>Operating Revenues:</b>			
Charges for services	\$ 5,663,116	\$ 5,932,848	\$ 269,732
Other Operating Revenues	-	-	-
Total operating revenues	<u>5,663,116</u>	<u>5,932,848</u>	<u>269,732</u>
<b>Operating Expenditures:</b>			
Salaries and benefits	2,394,534	1,765,313	629,221
Operating and maintenance	4,329,608	4,260,912	68,696
Capital outlay	58,476	33,809	24,667
Total operating expenditures	<u>6,782,618</u>	<u>6,060,034</u>	<u>722,584</u>
Revenues over (under) expenditures	<u>(1,119,502)</u>	<u>(127,186)</u>	<u>992,316</u>
<b>Other Financing Sources (Uses):</b>			
Transfer from other funds	907,476	809,742	(97,734)
Appropriated fund balance	212,026	-	(212,026)
Total other financing sources (uses)	<u>1,119,502</u>	<u>809,742</u>	<u>(309,760)</u>
Revenues and other financing sources (uses) over expenditures and other financing uses	<u>\$ -</u>	<u>682,556</u>	<u>\$ 682,556</u>
<b>Reconciliation from Financial Plan Basis (Modified Accrual) to Full Accrual:</b>			
Capital Outlay		18,439	
Depreciation		(15,187)	
Decrease in deferred outflows of resources - pensions		213,118	
Increase in deferred outflows of resources - OPEB		(135,743)	
Increase in net pension liability		(628,386)	
Increase in net OPEB liability		62,520	
Decrease in deferred inflows of resources - pensions		322,188	
Decrease in deferred inflows of resources - OPEB		<u>(21,444)</u>	
Change in net position		<u>\$ 498,061</u>	

FACILITIES IMPROVEMENT – INTERNAL SERVICE FUNDS

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

YEAR ENDED JUNE 30, 2023

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Positive/ Negative</u>
<b>Operating Revenues:</b>			
Charges for services	\$ -	\$ -	\$ -
Other operating revenues	-	-	-
Total operating revenues	<u>-</u>	<u>-</u>	<u>-</u>
<b>Operating Expenditures:</b>			
Capital outlay	2,329,214	1,161,178	1,168,036
Total operating expenditures	<u>2,329,214</u>	<u>1,161,178</u>	<u>1,168,036</u>
Revenues over (under) expenditures	<u>(2,329,214)</u>	<u>(1,161,178)</u>	<u>1,168,036</u>
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	1,191,874	-	(1,191,874)
Transfers to other funds	(62,660)	(62,660)	-
Transfers from other funds	1,200,000	1,200,000	-
Total other financing sources (uses)	<u>2,329,214</u>	<u>1,137,340</u>	<u>(1,191,874)</u>
Revenues and other financing sources (uses) under expenditures and other financing uses	<u>\$ -</u>	<u>(23,838)</u>	<u>\$ (23,838)</u>
<b>Reconciliation from Financial Plan Basis (Modified Accrual) to Full Accrual:</b>			
Depreciation		(76,402)	
Loss on disposal of capital asset		(1,167)	
Capital outlay		<u>47,908</u>	
Change in net position		<u>\$ (53,499)</u>	



# Statistical Section

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Annual Comprehensive Financial Report  
(ACFR) – Fiscal Year Ending June 30, 2023

## Net Position By Component

Table 1

### Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Governmental activities</b>										
Net investment in capital assets	\$144,769	\$154,684	\$157,082	\$160,375	\$159,151	\$171,216	\$181,845	\$190,464	\$191,804	\$205,857
Restricted	-	-	-	-	-	-	-	-	-	-
Stabilization of State Statute	8,228	13,594	8,322	6,516	7,714	14,885	8,259	22,079	21,372	21,357
Restricted for Streets	2,296	2,236	1,717	1,179	1,001	702	376	1,873	5,113	121
General Government	84	76	105	109	684	108	103	86	85	141
Economic Development	-	56	4,177	2,611	390	1,124	6,661	366	15	2,001
Transportation	-	-	-	-	-	-	-	-	-	-
Public Safety	706	821	858	872	374	149	560	472	486	1,125
Cultural and Recreational	102	102	117	66	-	-	63	3,412	3,626	4,086
Donations	-	-	-	-	-	-	269	254	-	-
Debt Service	-	-	-	-	771	1,303	1,725	-	1,089	1,342
Insurance	-	-	-	-	6,907	3,234	5,466	7,440	8,247	-
Other	-	-	-	669	-	-	-	-	-	-
Unrestricted	36,849	23,638	29,243	23,715	(3,244)	(5,769)	(12,349)	(24,994)	(18,702)	(4,151)
<b>Total Governmental activities net position</b>	<b>\$193,034</b>	<b>\$195,207</b>	<b>\$201,621</b>	<b>\$196,112</b>	<b>\$173,748</b>	<b>\$186,952</b>	<b>\$192,977</b>	<b>\$201,452</b>	<b>\$213,135</b>	<b>\$231,879</b>
<b>Business-type activities</b>										
Net investment in capital assets	\$258,006	\$277,248	\$272,073	\$274,323	\$287,024	\$293,264	\$303,498	\$317,611	\$351,793	\$361,561
Unrestricted	80,345	70,155	105,097	118,131	101,309	118,145	126,398	123,360	120,518	114,596
<b>Total business-type activities net assets</b>	<b>\$338,351</b>	<b>\$347,403</b>	<b>\$377,170</b>	<b>\$392,454</b>	<b>\$388,333</b>	<b>\$411,409</b>	<b>\$429,895</b>	<b>\$440,971</b>	<b>\$472,311</b>	<b>\$476,157</b>
<b>Primary government</b>										
Net investment in capital assets	\$402,775	\$431,932	\$429,155	\$434,698	\$446,175	\$464,480	\$485,343	\$508,076	\$543,597	\$567,418
Restricted	-	-	-	-	-	-	-	-	-	-
Stabilization of State Statute	8,228	13,594	8,322	6,516	7,714	14,885	8,259	22,079	21,372	21,357
Restricted for Streets	2,296	2,236	1,717	1,179	1,001	702	376	1,873	5,113	121
General Government	84	76	105	109	684	108	103	86	85	141
Economic Development	-	56	4,177	2,611	390	1,124	6,660	365	15	2,001
Transportation	-	-	-	-	-	-	-	-	-	-
Public Safety	706	821	858	872	374	149	560	472	486	1,125
Cultural and Recreational	102	102	117	66	-	-	63	3,412	3,626	4,086
Donations	-	-	-	-	-	-	269	254	-	-
Debt	-	-	-	-	771	1,303	1,725	-	1,089	1,342
Insurance	-	-	-	-	6,907	3,234	5,466	7,440	8,247	-
Other	-	-	-	669	-	-	-	-	-	-
Unrestricted	117,194	93,793	134,340	141,846	98,065	112,376	114,049	98,367	101,816	110,445
<b>Total primary government net position</b>	<b>\$531,385</b>	<b>\$542,610</b>	<b>\$578,791</b>	<b>\$588,566</b>	<b>\$562,081</b>	<b>\$598,361</b>	<b>\$622,874</b>	<b>\$642,424</b>	<b>\$685,446</b>	<b>\$708,036</b>

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.

## Changes In Net Position

Table 2

### Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses</b>										
Governmental activities:										
General government	\$1,996	\$25,011	\$28,647	\$34,019	\$2,817	\$29,324	\$34,035	\$28,910	\$28,401	\$29,579
Public safety	28,939	26,262	26,907	27,583	28,561	27,551	30,707	34,883	33,955	37,577
Transportation	7,462	5,939	7,172	6,514	8,013	10,309	7,162	13,512	13,269	12,784
Environmental protection	-	-	-	3,534	1,454	1,229	-	-	-	-
Economic and physical development	13,497	10,781	11,081	12,655	11,427	10,374	9,058	8,783	6,074	8,429
Culture and recreation	3,204	5,765	4,589	4,802	9,296	9,393	10,194	10,374	15,151	13,656
Interest on long-term debt	894	1,034	949	1,307	1,158	1,113	1,163	1,134	1,793	828
<b>Total governmental activities</b>	<b>55,992</b>	<b>74,792</b>	<b>79,345</b>	<b>90,414</b>	<b>62,726</b>	<b>89,293</b>	<b>92,319</b>	<b>97,596</b>	<b>98,643</b>	<b>102,853</b>
Business-type activities:										
Electric	195,184	18,901	157,839	167,127	164,003	168,797	167,599	169,204	173,137	174,439
Water	16,237	16,201	16,281	17,138	17,586	19,298	20,724	23,915	20,916	26,920
Sewer	17,333	17,667	18,261	19,761	20,649	21,503	22,841	25,576	24,339	27,569
Gas	32,519	31,718	25,519	27,803	34,791	32,532	29,176	29,416	39,390	44,471
Public Transportation	2,459	3,406	213	2,377	2,693	3,019	3,063	2,966	2,909	2,966
Stormwater Utility	2,945	5,837	2,526	2,465	321	4,709	3,193	4,894	5,307	7,813
Sanitation	7,358	6,941	6,115	6,697	6,808	7,386	7,336	7,199	6,900	8,330
<b>Total business-type activities</b>	<b>266,677</b>	<b>100,671</b>	<b>226,754</b>	<b>243,368</b>	<b>246,851</b>	<b>257,244</b>	<b>253,932</b>	<b>263,170</b>	<b>272,898</b>	<b>292,508</b>
<b>Total expenses</b>	<b>\$322,669</b>	<b>\$175,463</b>	<b>\$306,099</b>	<b>\$333,782</b>	<b>\$309,577</b>	<b>\$346,537</b>	<b>\$346,251</b>	<b>\$360,766</b>	<b>\$371,541</b>	<b>\$395,361</b>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$4,829	\$336	\$3,959	\$7,201	\$4,223	\$5,474	\$1,610	\$3,645	\$4,394	\$4,852
Public safety	4,149	5,542	4,686	4,231	6,349	5,045	5,577	4,872	6,522	6,917
Transportation	180	293	195	203	36	136	127	91	164	332
Economic and physical development	19	19	19	19	19	-	-	-	-	-
Culture and recreation	1,088	1,093	1,939	1,953	1,248	107	815	1,748	2,075	3,091
Operating grants and contributions	354	3,211	2,505	3,675	3,351	3,017	4,904	7,803	6,585	7,273
Capital grants and contributions	3,214	2,788	6,916	5,912	10,969	8,775	10,348	7,826	6,543	10,168
<b>Total governmental activities</b>	<b>13,833</b>	<b>13,282</b>	<b>20,219</b>	<b>23,194</b>	<b>26,195</b>	<b>22,554</b>	<b>23,381</b>	<b>25,985</b>	<b>26,283</b>	<b>32,633</b>
<b>program revenues</b>	<b>13,833</b>	<b>13,282</b>	<b>20,219</b>	<b>23,194</b>	<b>26,195</b>	<b>22,554</b>	<b>23,381</b>	<b>25,985</b>	<b>26,283</b>	<b>32,633</b>

Business-type activities:										
Charges for services:										
Electric	202,308	199,711	181,932	178,171	178,284	17,923	171,665	178,147	181,325	174,101
Water	16,526	17,465	18,587	20,009	20,647	22,203	23,934	23,916	25,080	26,459
Sewer	18,218	19,566	21,577	23,268	23,778	25,187	24,484	25,000	25,290	25,599
Gas	35,481	36,688	27,684	28,787	36,535	36,202	31,842	33,543	40,742	47,000
Public Transportation	330	402	284	243	251	293	278	62	53	64
Stormwater Utility	367	4,354	4,905	5,537	6,064	6,153	6,103	6,132	10,978	8,703
Sanitation	6,814	7,204	746	7,256	7,554	779	7,861	8,338	8,678	8,762
Operating grants and contributions	901	804	-	1,463	1,103	3,149	1,563	2,288	2,384	2,179
Capital grants and contributions	1,162	3,105	2,121	278	1,783	2,751	6,786	2,846	19,064	8,115
<b>Total business-type activities</b>										
<b>Program revenues</b>	282,107	289,299	255,715	265,012	275,999	114,640	274,516	280,272	313,594	300,982
<b>Total program revenues</b>	\$295,940	\$302,581	\$275,934	\$288,206	\$302,194	\$137,194	\$297,897	\$306,257	\$339,877	\$333,615
<b>Net (Expense) Revenue</b>										
Governmental activities	\$(56,937)	\$(58,486)	\$(59,126)	\$(6,722)	\$(61,883)	\$(65,776)	\$(68,938)	\$(71,610)	\$(72,360)	\$(70,220)
Business-type activities	11,375	18,519	35,879	21,644	26,259	25,714	20,584	17,102	40,696	8,474
<b>Total primary governmental net expense</b>	(45,562)	(39,967)	(23,247)	14,922	(35,624)	(40,062)	(48,354)	(54,508)	(31,664)	(61,746)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes	\$31,915	\$32,502	\$33,000	\$33,187	\$34	\$34,884	\$35,976	\$38,664	\$39,073	\$40,667
Other Taxes, grants and contributions	22,522	25,292	26,655	27,873	28,600	30,473	29,733	33,495	35,906	38,645
Investment earnings	2,038	2,064	700	954	698	7,427	3,140	1,427	2,199	1,924
Transfers	5,597	5,804	6,704	6,885	6,302	6,196	6,114	6,500	6,865	7,728
<b>Total General revenues</b>	62,072	65,662	67,059	68,899	35,634	78,980	74,963	80,086	84,043	88,964
Business-type activities:										
Investment earnings	209	284	330	528	1,159	3,559	4,016	474	(2,492)	3,099
Transfers	(5,597)	(5,804)	(6,704)	(6,888)	(6,302)	(6,196)	(6,114)	(6,500)	(6,865)	(7,728)
<b>Total business-type activities</b>	(5,388)	(5,520)	(6,374)	(6,360)	1,159	(2,637)	(2,098)	(6,026)	(9,357)	(4,629)
<b>Total primary government</b>	\$56,684	\$60,142	\$60,685	\$62,539	\$36,793	\$76,343	\$72,865	\$74,060	\$74,686	\$84,335
<b>Change in Net Position</b>										
Governmental activities	\$5,135	\$7,176	\$7,933	\$1,679	\$7,917	\$13,204	\$6,025	\$8,476	\$11,683	\$18,744
Business-type activities	5,987	12,999	29,505	15,284	21,116	23,077	18,486	11,076	31,339	3,845
<b>Total primary government</b>	\$11,122	\$20,175	\$37,438	\$16,963	\$29,033	\$36,281	\$24,512	\$19,552	\$43,022	\$22,589

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

Note 2: Amounts are expressed in thousands.

**Fund Balances of Governmental Funds**

Table 3

**Last Ten Fiscal Years**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Fund</b>										
Nonspendable	\$215	\$116	\$54	\$69	\$102	\$68	\$59	\$56	\$40	\$53
Restricted	10,848	16,169	10,171	7,688	7,318	9,313	7,077	8,815	8,887	12,889
Committed	2,277	2,277	2,277	2,328	2,051	2,196	2,253	2,290	2,376	2,253
Assigned	1,964	1,592	1,796	1,178	138	650	300	750	150	500
Unassigned	16,108	12,426	18,144	20,158	12,048	11,726	16,076	14,764	18,552	21,000
<b>Total General Fund</b>	<b>\$31,412</b>	<b>\$3,258</b>	<b>\$32,442</b>	<b>\$31,421</b>	<b>\$22,899</b>	<b>\$23,953</b>	<b>\$25,765</b>	<b>\$26,675</b>	<b>\$30,005</b>	<b>\$36,695</b>
<b>All other governmental funds</b>										
Nonspendable	\$53	\$919	\$381	\$791	\$800	\$377	\$84	\$87	\$88	\$150
Restricted	5,767	8,257	5,235	4,334	8,033	12,456	10,940	20,032	23,031	20,347
Committed	6,846	6,045	5,172	11,019	12,105	8,206	8,068	7,028	11,735	12,122
Assigned	522	570	619	520	825	808	952	1,027	1,178	114
Unassigned	(489)	(5,097)	(531)	(334)	(685)	(5,327)	(1,552)	(7,240)	(2,625)	266
<b>Total all other governmental funds</b>	<b>\$12,699</b>	<b>\$10,694</b>	<b>\$10,876</b>	<b>\$1,633</b>	<b>\$21,078</b>	<b>\$1,652</b>	<b>\$18,492</b>	<b>\$20,934</b>	<b>\$33,407</b>	<b>\$32,999</b>
<b>Total governmental funds</b>	<b>\$44,111</b>	<b>\$43,274</b>	<b>\$43,318</b>	<b>\$47,751</b>	<b>\$43,977</b>	<b>\$40,473</b>	<b>\$44,257</b>	<b>\$47,609</b>	<b>\$63,412</b>	<b>\$69,694</b>

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.



Changes In Fund Balances of Governmental Funds

Table 4

Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>										
Ad Valorem Taxes	\$32,256	\$32,956	\$32,776	\$33,385	\$34,374	\$3,474	\$35,829	\$38,707	\$39,122	\$40,645
Other Taxes	16,672	18,543	19,271	20,645	21,301	23,064	22,452	26,420	28,855	31,235
Unrestricted Intergovernmental	5,847	675	7,386	7,231	7,299	7,409	7,280	7,074	7,051	7,410
Restricted Intergovernmental	6,424	572	8,021	9,252	11,435	7,139	8,425	9,474	9,133	9,782
Licenses, Permits and fees	2,289	3,818	2,353	2,929	4	2,973	4,006	5,811	4,232	4,564
Sales and Services	518	5,766	5,083	4,844	6	5,718	4,539	3,755	6,003	6,627
Investment Earning	463	370	700	438	424	1,832	1,872	128	(984)	5,107
Other Revenue	1,715	861	1,340	3,182	1,443	1,552	2,071	1,498	4,875	4,802
<b>Total revenues</b>	<b>\$70,846</b>	<b>\$74,784</b>	<b>\$7,693</b>	<b>\$81,906</b>	<b>\$85,445</b>	<b>\$84,427</b>	<b>\$86,474</b>	<b>\$92,867</b>	<b>\$98,287</b>	<b>\$110,172</b>
<b>Expenditures</b>										
General government	\$10,331	\$10,504	\$12,413	\$12,135	\$12,176	\$12,277	\$12,831	\$12,151	\$13,525	\$13,796
Public safety	36,072	35,521	37,029	39,141	40,633	4,133	40,295	41,803	48,738	49,930
Public works	813	7,924	8,581	8,971	10,798	11,752	14,084	12,646	12,998	15,724
Environmental Protection	-	-	-	3,534	1,454	1,229	-	-	-	-
Cultural and Recreation	4,748	5,176	6,018	5,874	11,084	10,509	12,799	12,377	17,151	17,231
Economic and physical development	10,585	19,185	15,964	18,373	12,668	11,867	9,738	9,156	7,009	9,214
Capital Outlay	3,591	2,596	-	-	-	-	-	-	-	-
Reimbursement of indirect cost	(1,111)	(1,285)	(1,391)	(1,312)	(1,522)	(1,532)	-	-	-	-
Contribution to OPEB Trust	350	400	450	500	500	600	-	-	-	-
<b>Debt service</b>										
Principal	3,342	3,766	3,808	3,928	4,578	4,292	4,445	4,341	4,158	4,874
Interest and fees	894	1,034	871	1,182	1,083	1,023	1,068	1,078	1,133	1,411
<b>Total expenditures</b>	<b>\$76,932</b>	<b>\$84,821</b>	<b>\$83,743</b>	<b>\$92,326</b>	<b>\$93,452</b>	<b>\$93,347</b>	<b>\$95,260</b>	<b>\$93,552</b>	<b>\$104,712</b>	<b>\$112,180</b>
Excess of revenues over (under) expenditures	\$ (6,086)	\$ (10,037)	\$ (6,813)	\$ (10,420)	\$ (8,007)	\$ (8,920)	\$ (8,786)	\$ (685)	\$ (6,425)	\$ (2,008)
<b>Other financing sources (uses)</b>										
Transfers from other funds	\$16,027	\$1,588	\$1,641	\$18,823	\$2,575	\$17,232	\$20,719	\$30,669	\$19,765	\$18,469
Transfers to other funds	(11,213)	(11,622)	(11,277)	(14,166)	(21,518)	(12,777)	(16,781)	(26,634)	(14,280)	(12,687)
Premium received on long term debt issues	-	-	-	696	-	-	782	-	2,201	-
Refunding debt issued	-	-	6	-	-	-	-	-	-	-
Long Term debt issued	4,997	4,200	2,096	9,500	-	963	7,850	-	14,545	2,500
<b>Total other financing sources (uses)</b>	<b>\$9,811</b>	<b>\$8,458</b>	<b>\$7,166</b>	<b>\$14,853</b>	<b>\$4,232</b>	<b>\$5,418</b>	<b>\$12,570</b>	<b>\$4,035</b>	<b>\$22,231</b>	<b>\$8,282</b>
Net change in fund balances	\$3,725	\$ (1,579)	\$353	\$4,433	\$ (3,775)	\$ (3,502)	\$3,784	\$3,350	\$15,806	\$6,274
Debt services as a percentage of noncapital expenditures	6.0%	6.0%	6.0%	6.3%	6.4%	6.0%	6.1%	5.8%	5.1%	5.6%

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

Note 2: Amounts are expressed in thousands.

**Greenville Utilities Commission - Revenue Base**

**Table 5**

**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Electric kWh Sold</b>		<b>Water Kgal Sold</b>		<b>Gas ccf Sold</b>	
	<b>Residential</b>	<b>Commercial and Industrial</b>	<b>Residential</b>	<b>Commercial and Industrial</b>	<b>Residential</b>	<b>Commercial and Industrial</b>
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
2021	787,045,135	956,131,483	2,213,598	1,991,918	8,621,566	25,114,395
2022	781,928,683	978,548,985	2,225,077	2,073,173	8,075,676	25,699,192
2023	747,124,304	971,419,209	2,257,303	2,137,976	7,297,030	25,158,513

City of Greenville

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

Table 6

Fiscal Year  Ended June 30	Real Property		Personal Property	Total Taxable	(2) Total Direct	Estimated Actual	(1) Assessed Value as a
	Residential and Commercial Property	Motor Vehicle and Other Personal Property	Assessed Value	Tax Rate	Taxable/Market Value	Percentage of Market Value	
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%	
2021	6,783,367,442	1,137,656,218	7,921,023,660	0.0049	7,921,023,660	100.00%	
2022	6,968,472,352	1,204,165,625	8,172,637,977	0.0048	8,172,637,977	100.00%	
2023	7,182,323,175	1,129,338,125	8,475,661,300	0.0048	8,475,661,300	100.00%	

**Greenville Utilities Commission - Direct and Overlapping Revenue Rates**

**Table 7**

**Last 10 Fiscal Years**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Electric (per kWh)</b>										
Residential	\$0.1310	\$0.1309	\$0.1249	\$0.1010	\$0.1195	\$0.1182	\$0.0941	\$0.0941	\$0.0941	\$0.0941
Commercial & Industrial	0.1031	0.1028	0.0945	0.0980	0.0940	0.0959	0.0959	0.0959	0.0959	0.0985
<b>Water (per kgal)</b>										
Residential	5.0703	5.3871	5.6670	5.7550	5.6620	5.9000	6.0900	6.0900	6.0900	6.1600
Commercial & Industrial	2.8810	3.0439	3.1589	3.2300	3.2250	3.5300	3.8300	3.8300	3.8300	4.5600
<b>Gas (per ccf)</b>										
Residential	1.4078	1.4695	1.3853	1.1180	1.4050	1.0717	1.0399	1.0275	1.5929	1.4321
Commercial & Industrial	0.9205	0.9365	0.7745	0.9718	0.9195	1.0281	1.0178	1.0115	1.4933	1.4067

City of Greenville  
Property Tax Rates  
Direct and Overlapping Governments  
Last Ten Fiscal Years

Table 8

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
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	35,868,136	0.721	89,707,148	1.241	125,575,284
2021	0.495	38,612,644	0.684	92,181,437	1.179	130,794,081
2022	0.485	39,005,079	0.684	95,957,926	1.169	134,963,005
2023	0.485	40,507,014	0.684	100,596,975	1.169	141,103,989

**City of Greenville  
Principal Property Taxpayers  
Fiscal Year 2023**

**Table 9**

	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
JRR Ventures LLC	\$ 49,843,134	1	13.82%			
RPI Greenville Mall LP				\$ 40,428,933	1	15.42%
RPI Greenville Mall LP	\$ 43,741,374	2	12.13%			
Copper Beech Townhome Communities				\$ 34,605,790	2	13.20%
Wal Mart Real Estate Business Trust	\$ 38,469,708	3	10.67%			
PL Greenville LP				\$ 29,073,633	3	11.09%
401 Moye Boulevard Realty DST	\$ 37,357,114	4	10.36%			
Wal Mart				\$ 26,037,206	4	9.93%
The Landing ECU LLC	\$ 36,751,352	5	10.19%			
Pep Core NNC I LLC Apartments				\$ 24,077,685	5	9.19%
Cooper Beech at Greenville LP	\$ 36,453,377	6	10.11%			
Corridor Greenville LLC				\$ 23,978,251	6	9.15%
Legacy at Firetower LLC	\$ 30,451,488	7	8.45%			
401 Moye Boulevard Realty DST				\$ 23,255,295	7	8.87%
Breit SH Province Greenville LP	\$ 29,797,013	8	8.26%			
Pep Core NNC II LLC Apartments				\$ 21,453,164	8	8.18%
Treybrooke LLC	\$ 28,964,886	9	8.03%			
Centro Heritage UC Greenville LLC				\$ 20,033,800	9	7.64%
West Arlington LLC	\$ 28,712,448	10	7.96%			
Scion Virtus Greenville LLC Apartments				\$ 19,161,577	10	7.31%
<b>Totals</b>	<b>\$ 360,541,894</b>		<b>100.00%</b>	<b>\$ 262,105,334</b>		<b>100.00%</b>

Ten Largest Customers

Table 10

Current Year and Nine Years Ago

Electric Fund		Fiscal Year 2023		Fiscal Year 2014	
		Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Customer	Product/Service				
Thermo Fisher Scientific <sup>1</sup>	Pharmaceuticals	5,312,433	3.12%	6,891,121	3.59%
Avient Protective Materials <sup>2</sup>	High Performance Fibers	5,055,469	2.97%	4,226,077	2.20%
ECU Health <sup>3</sup>	Health Care	4,161,692	2.45%	5,354,855	2.79%
East Carolina University	Education	3,134,059	1.84%	4,079,982	2.12%
East Carolina University	Medical Products	3,076,119	1.81%	3,310,464	1.72%
Attends Healthcare Products	Education	2,653,398	1.56%	3,189,010	1.66%
East Carolina University	Education	2,455,912	1.44%	2,630,339	1.37%
ECU Health <sup>3</sup>	Health Care	2,091,379	1.23%	1,625,801	0.85%
City of Greenville	Government	2,002,347	1.18%		
Hyster Yale Group <sup>4</sup>	Pharmaceuticals	1,049,474	0.62%	1,365,578	0.71%
DENSO Manufacturing <sup>5</sup>	Motors			1,590,792	0.83%
Totals		\$30,992,282	18.22%	\$34,264,019	17.84%

Ten Largest Customers

Table 10

Current Year And Nine Years Ago

Water Fund		Fiscal Year 2023		Fiscal Year 2014	
		Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Customer	Product/Service				
Thermo Fisher Scientific <sup>1</sup>	Pharmaceuticals	1,030,292	4.14%	654,634	4.16%
Town of Farmville	Government	947,031	3.81%	652,132	4.15%
Town of Winterville	Government	384,485	1.55%	194,031	1.23%
Avient Protective Materials <sup>2</sup>	High Performance Fibers	257,099	1.03%	111,195	0.71%
ECU Health <sup>3</sup>	Health Care	245,091	0.99%	242,844	1.54%
Stokes Regional Water Corporation	Water Utility	213,568	0.86%	60,173	0.38%
Fuji Silysia Chemical USA, LTD	Silica Gel	204,294	0.82%	74,982	0.48%
ECU Health <sup>3</sup>	Health Care	173,527	0.70%	70,553	0.45%
ECU Health <sup>3</sup>	Health Care	134,338	0.54%	65,978	0.42%
Greenville Uptown PropCo, LLC	Apartments	92,171	0.37%		
East Carolina University	Education			60,979	0.39%
Totals		<u>\$3,681,896</u>	<u>14.81%</u>	<u>\$2,187,501</u>	<u>13.91%</u>



Ten Largest Customers

Table 10

Current Year and Nine Years Ago

Sewer Fund		Fiscal Year 2023		Fiscal Year 2014	
		Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Customer	Product/Service				
Thermo Fisher Scientific1	Pharmaceuticals	\$840,921	3.45%	\$732,114	4.21%
Avient Protective Materials2	High Performance Fibers	505,301	2.07%	247,285	1.42%
ECU Health3	Health Care	364,129	1.49%	414,659	2.38%
Fuji Silysia Chemical USA, LTD	Silica Gel	321,131	1.32%	135,033	0.78%
ECU Health3	Health Care	257,231	1.06%	117,993	0.68%
ECU Health3	Health Care	199,948	0.82%	112,672	0.65%
Greenville Uptown PropCo, LLC	Apartments	136,421	0.56%		
East Carolina University	Education	119,866	0.49%	104,320	0.60%
Greenville Housing Authority	Apartments	100,290	0.41%	54,012	0.31%
East Carolina University	Education	81,935	0.34%		
Town of Bethel	Government			590,786	3.40%
The Province Greenville NC LP	Apartments			54,444	0.31%
Totals		\$2,927,173	12.01%	\$2,508,874	14.43%

Ten Largest Customers

Table 10

Current Year and Nine Years Ago

Gas Fund		Fiscal Year 2023		Fiscal Year 2014	
		Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Customer	Product/Service				
ECU Health	Health Care	\$2,950,877	6.39%	\$1,919,922	5.47%
East Carolina University	Education	2,758,331	5.98%	2,753,844	7.85%
Thermo Fisher Scientific	Pharmaceuticals	2,482,931	5.38%	3,340,756	9.52%
Thermo Fisher Scientific	Pharmaceuticals	1,526,019	3.31%		
Avient Protective Materials	High Performance Fibers	1,413,668	3.06%	1,065,181	3.03%
ECU Health	Health Care	1,385,095	3.00%	676,537	1.93%
Catalent Greenville, Inc.	Pharmaceuticals	1,165,194	2.52%	406,144	1.16%
Fuji Silysia Chemical USA, LTD	Silica Gel	974,441	2.11%	512,840	1.46%
East Carolina University	Education	903,714	1.96%	986,178	2.81%
Hyster Yale Group	Fork Lift Trucks	829,102	1.80%	469,533	1.34%
Avient Protective Materials	High Performance Fibers			769,034	2.19%
Totals		<u>\$16,389,372</u>	<u>35.51%</u>	<u>\$12,899,969</u>	<u>36.76%</u>

**City of Greenville**  
**General Fund Tax Revenues By Source**  
**Last Ten Fiscal Years**

**Table 11**

<b>Fiscal Year</b>	<b>** Property Tax</b>	<b>Sales Tax</b>	<b>* Franchise Tax</b>	<b>Alcoholic Beverage Tax</b>	<b>Other Taxes</b>	<b>Total</b>
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
2021	38,612,644	24,555,870	7,375,802	392,625	207,687	71,144,628
2022	39,005,079	27,248,610	7,355,775	354,087	228,982	74,192,533
2023	40,507,725	29,595,765	7,625,320	419,924	254,647	78,403,381

\* Franchise Tax includes Cable TV and Utilities Franchise taxes

\*\* Net of Collection Fees

**CITY OF GREENVILLE, NORTH CAROLINA**  
**PROPERTY TAX LEVIES AND COLLECTIONS**

*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			
2013	30,005,085	29,195,139	97.30%	212,520	29,195,139	97.30%
2014	31,657,568	31,205,438	98.57%	413,988	31,205,438	98.57%
2015	32,647,441	32,389,782	99.21%	86,202	32,389,782	99.21%
2016	32,676,680	32,488,669	99.42%	175,089	32,488,669	99.42%
2017	33,704,285	33,536,293	99.50%	154,575	33,536,293	99.50%
2018	34,150,363	34,002,040	99.57%	278,440	34,002,040	99.57%
2019	35,048,537	34,944,274	99.70%	202,206	34,944,274	99.70%
2020	35,965,756	35,868,136	99.73%	172,195	35,868,136	99.73%
2021	38,694,890	38,612,644	99.79%	139,007	38,612,644	99.79%
2022	39,101,489	39,005,079	99.75%	96,411	39,005,079	99.75%
2023	40,657,014	40,507,724	99.63%	-	40,507,724	99.63%

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

Ratio of Outstanding Debt By Type

Table 13

Last Ten Fiscal Years

(amounts expressed in thousands, except per capita amount)

Fiscal	Governmental Activities						Business-type Activities						Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Assessment Bonds	Limited Obligation Bonds	Installment Purchase Contracts	Leases	Subscription Based IT Agreements	Revenue Bonds	General Obligation Bonds	Installment Purchase Contracts	Other Debt	Leases	Subscription Based IT Agreements			
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	63,041	-	-	231,406	2.80%	2,488
2021	18,676	3,680	-	9,939	-	-	154,411	1,989	173	51,181	-	-	240,049	2.62%	2,583
2022	18,336	3,115	16,746	7,870	56	-	127,200	1,637	43	67,860	476	-	243,339	(1)	2,743
2023	16,835	2,531	15,846	8,330	81	2,038	145,245	1,293	-	70,509	321	547	263,576	(1)	2,954

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.

**Ratios of General Bonded Debt Outstanding**

**Table 14**

**Last Ten Fiscal Years**

(amounts expressed in thousands, except per capita amount)

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Less: Amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Personal Income</b>	<b>Percentage of Estimated Actual Taxable Value of Property</b>	<b>Per Capita</b>
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	0.25%	0.30%	224
2021	20,665	758	19,907	0.22%	0.27%	203
2022	19,973	93	19,880	(1)	0.24%	224
2023	18,128	969	17,159	(1)	0.20%	192

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.

**Legal Debt Margin - Governmental Activities**

**Table 15**

**Last Ten Fiscal Years**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Debt limit	\$486,793	\$489,684	\$499,302	\$480,851	\$526,807	\$548,180	\$557,551	\$633,682	\$653,811	\$678,053
Total net debt applicable to limit	152,518	142,395	180,485	189,317	166,589	207,718	219,470	240,004	239,378	260,589
Legal debt margin	\$305,333	\$334,275	\$347,289	\$318,817	\$291,534	\$360,218	\$340,462	\$393,678	\$414,433	\$417,464
<b>Total net debt applicable to the limit as a percentage of debt limit</b>	<b>33.82%</b>	<b>31.33%</b>	<b>29.08%</b>	<b>36.15%</b>	<b>39.37%</b>	<b>31.62%</b>	<b>37.89%</b>	<b>39.36%</b>	<b>36.61%</b>	<b>38.43%</b>

**Legal Debt Margin Calculation for Fiscal**

Assessed value	\$8,475,661,300
Debt Limit (8% of total assessed value)	678,052,904
Debt applicable to limit:	
General obligation bonds	18,128,000
Special obligation revenue	2,531,000
Revenue Bonds	145,245,000
Other Debt	94,685,000
Legal debt margin	<u>\$417,463,904</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.

**Direct and Overlapping Governmental Activities Debt**

**Table 16**

**As of June 30, 2023**

Governmental Unit	Net General Obligation Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
<b>Overlapping</b>			
Pitt County	\$12,145	53.00%	\$6,437
<b>Direct</b>			
City of Greenville			16,905
<b>Total direct and overlapping debt</b>			\$23,342

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 pr



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
2014	272,354	238,628	33,726	11,229	3,905	15,134	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
2021	259,482	214,572	44,910	8,029	5,630	13,659	3.29	784	615	138	1.04
2022	271,717	228,131	43,586	7,172	5,809	12,981	3.36	1,375	565	120	2.01
2023	273,199	236,152	37,047	5,944	6,137	12,081	3.07	1,510	565	120	2.20

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**

*Last Ten Fiscal Years*

<b>Fiscal Year</b>	<b>(2) Population</b>	<b>Personal Income (thousands of dollars)</b>	<b>Capita Personal Income</b>	<b>Median Age</b>	<b>School Enrollment</b>	<b>Unemployment Rate</b>
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	7,830,577	43,325	33	22,664	4.5%
2020	87,521	8,262,413	45,169	33	23,343	8.3%
2021	88,728	9,159,356	53,200	27	22,664	5.1%
2022	89,233	(1)	(1)	(1)	22,951	4.1%
2023	(1)	(1)	(1)	(1)	23,688	4.2%

Note 1: Population unavailable for this period. Date of next release per US Census Bureau is unlisted.

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.

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**

*Current Year and Nine Years Ago*

<b>Employer</b>	<b>2023</b>			<b>2014</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>
Vidant Health	6,760	1	7.66%	6,895	1	9.71%
East Carolina University	5,160	2	5.85%	6,895	2	7.83%
Pitt County Public Schools	3,699	3	4.19%	6,895	3	3.96%
Thermo Fisher Scientific	1,852	4	2.10%	*NR	*NR	0.00%
Hyster-Yale (NACCO)	1,226	5	1.39%	1,000	4	1.41%
City of Greenville	1,132	6	1.28%	764	10	1.08%
Pitt Community College	1,100	7	1.25%	953	5	1.34%
County of Pitt	931	8	1.06%	910	6	1.28%
Physicians East	726	9	0.82%	*NR	*NR	0.00%
TRC, Inc. (The Roberts Company)	500	10	0.57%	*NR	*NR	0.00%
<b>Total</b>	<b>23,086</b>		<b>26.17%</b>	<b>24,312</b>		<b>26.61%</b>

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**

*Last Ten Fiscal Years*

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Function</b>										
General government	68	61	56	63	64	66	67	70	74	66
Public safety										
Police	241	233	239	230	293	240	247	251	218	220
Fire	158	148	158	153	152	151	152	167	161	162
Public Works	188	168	152	154	157	152	129	158.75	122	135
Recreation and Parks	67	57	74	56	51	54	56	64.75	53	63
Planning & Development Services	36	30	39	32	32	36	36	42	36	35
Engineering	-	-	-	-	-	-	28	36	33	33
Electric	210	135	203	137	135	142	144	148	137	147
Water and Sewer	167	117	120	122	122	124	123	123	127	134
Gas	70	51	77	54	49	55	53	55	55	58
<b>Total Employees</b>	<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>	<u>1,115.50</u>	<u>1,016.00</u>	<u>1,053.00</u>

\*Note: Department created in FY 2020

Source: Human Resources Department and Greenville Utilities Commission.

**CITY OF GREENVILLE, NORTH CAROLINA**  
**OPERATING INDICATORS BY FUNCTION**

*Last Ten Fiscal Years*

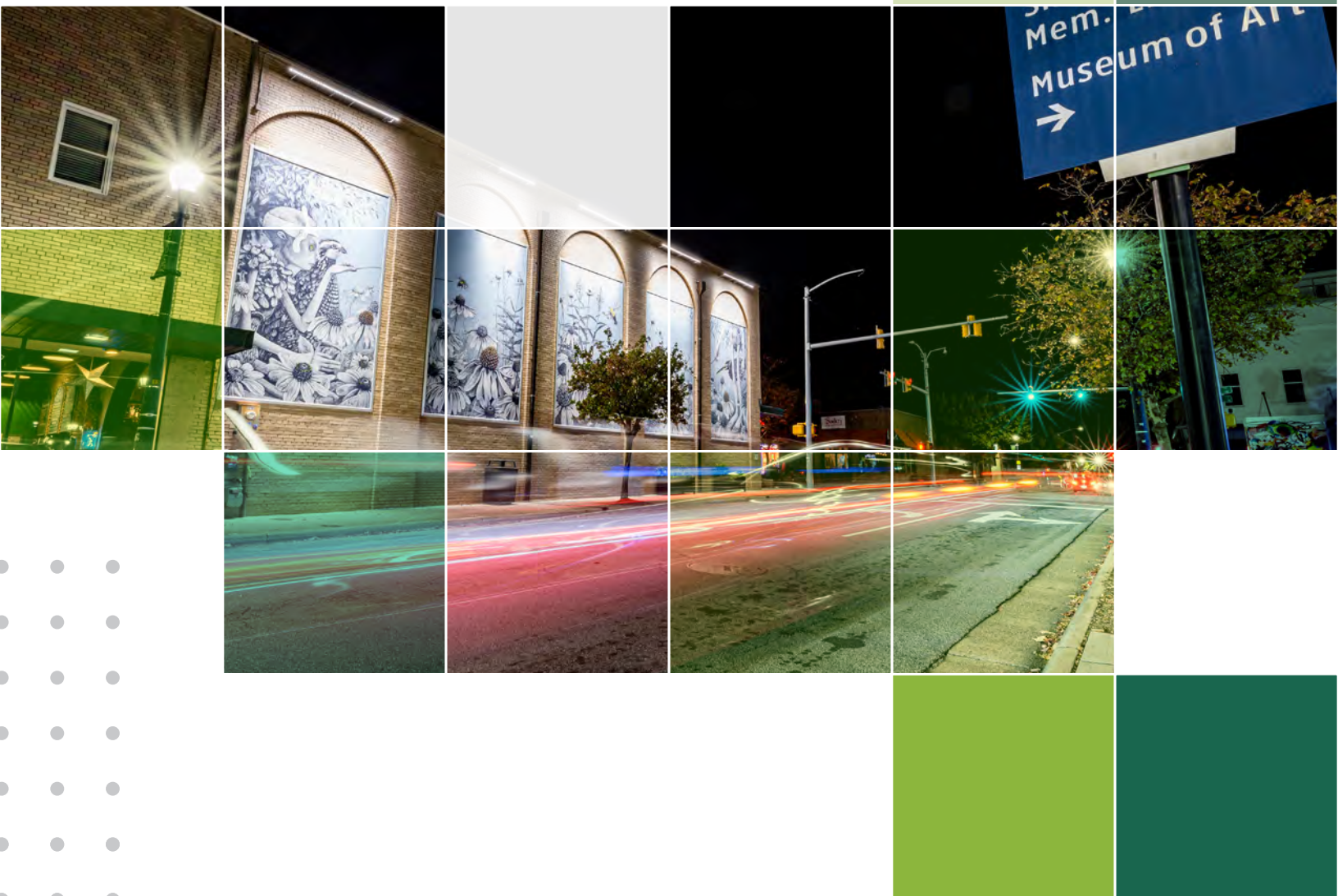
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Function</b>										
Police										
Physical arrests	5,487	4,590	4,254	3,645	3,650	3,325	3,028	2,798	2,775	2,231
Parking violations	8,646	8,717	13,970	14,482	21,789	15,466	11,604	9,899	14,262	15,785
Traffic violations	11,979	9,720	8,753	6,922	7,433	8,472	9,349	10,558	5,577	5,844
Fire										
Number of calls answered	5,753	2,706	2,959	3,087	2,946	3,457	3,113	3,114	3,896	3,770
Inspections	1,571	1,938	1,699	2,709	3,333	3,282	2,997	4,012	3,213	4,760
EMS										
Number of calls answered	15,353	13,917	14,065	15,001	14,757	15,148	14,443	15,141	14,970	16,323
Sanitation										
Refuse collected (tons/year)	27,955	28,318	28,558	27,235	28,390	30,708	33,628	29,926	38,602	40,001
Recyclables collected (tons/year)	4,446	3,366	3,920	4,154	4,449	3,991	2,821	3,312	1,994	1,747
Culture and recreation										
Facility reservations issued	1,692	1,798	2,106	1,292	1,292	1,705	1,120	1,137	1,374	1,011
Water										
Connections (of service connect)	34,959	35,179	35,599	35,794	36,338	36,183	37,195	37,801	38,638	39,073
Water Lines (miles)	627	628	629	631	631	633	634	639	724	725
Average daily consumption (thousands/millions of gallons)	12,394	12,800	12,384	12,237	12,800	14,200	13,642	14,108	14,785	11,994
Wastewater										
Average daily sewage treatment (thousands/million of gallons)	10,530	10,800	11,195	10,220	9,550	10,400	9,948	12,051	10,430	10,000

Sources: Various government and GUC departments.

**CITY OF GREENVILLE, NORTH CAROLINA**  
**CAPITAL ASSET STATISTICS BY FUNCTION**

*Last Ten Fiscal Years*

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Function</b>										
Public safety:										
Police Stations	3	3	3	4	4	3	5	5	5	4
Patrol units	202	178	202	208	214	214	241	226	230	231
Fire stations	6	6	6	6	6	6	6	6	6	7
Sanitation:										
Collection trucks	38	41	45	40	40	40	43	43	43	54
Highways and streets:										
Streets (miles)	269.33	269.59	269.10	270.78	272.08	274.46	277.09	278.65	279.36	282.45
Streetlights	7,152	7,220	7,105	7,250	7,448	7,627	7,926	8,366	8,129	8,548
Traffic signals	33	33	33	33	32	31	29	29	29	30
Culture and recreation:										
Parks acreage	1,455	1,455	1,454	1,460	1,466	1,466	1,651	1,973	1,973	1,622
Parks	29	29	26	26	27	27	28	28	28	31
Swimming pools	2	2	2	2	2	2	2	2	2	2
Spraygrounds	1	1	1	1	1	1	1	1	1	1
Tennis courts	24	24	21	21	20	12	12	18	18	15
Community centers	3	3	3	3	3	3	3	3	3	3
Recreation Centers:	6	6	7	7	7	7	7	7	7	9
Specialty Centers:	3	3	3	3	3	3	3	3	3	3
Electric:										
Number of distribution stations	19	19	19	23	19	19	19	19	19	20
Miles of service lines	2,781	2,804	2,901	2,917	2,939	2,993	2,967	3,039	3,034	3,142
Water:										
Water lines (miles)	627	628	629	631	631	633	634	639	724	725
Maximum daily treatment capacity (millions of gallons)	24.5	22.5	24.5	22.5	17.8	22.5	24.5	24.5	24.5	32
Sewer:										
Sanitary sewers (miles)	471	475	479	479	481	482	483	489	520	526
Maximum daily treatment capacity (millions of gallons)	17.5	17.5	17.5	17.5	17.5	24.5	17.5	17.5	17.5	17.5
Gas:										
Miles of pipeline	612	613	614	621	1070	626	728.68	748	745	752.9
Miles of service lines	437	438	440	446	446	446	478.3	485	491.2	498.2



# Single Audit & Compliance

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Annual Comprehensive Financial Report  
(ACFR) – Fiscal Year Ending June 30, 2023

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

To the Honorable Mayor and Members of City Council  
City of 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 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, 2023, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated January 9, 2024.

**Report on 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 City’s financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the 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 or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

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



**Purpose of this Report**

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

*Cherry Bekaert LLP*

Raleigh, North Carolina  
January 9, 2024

## **Report of Independent Auditor on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the OMB Uniform Guidance and the State Single Audit Implementation Act**

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

### **Report on Compliance for Each Major Federal Program**

#### ***Opinion on Each Major Federal Program***

We have audited the City of Greenville, North Carolina's (the "City") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2023. 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.

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, 2023.

#### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), and the State Single Audit Implementation Act. Our responsibilities under those standards, the Uniform Guidance, and the State Single Audit Implementation Act are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

#### ***Auditor's Responsibility for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

#### **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance which is required to be reported in accordance with the Uniform Guidance and the State Single Audit Implementation Act which is described in the accompanying schedule of findings and questioned costs as items 2023-001 and 2023-002. Our opinion on the major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

#### **Report on Internal Control over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

*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 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2023-001 and 2023-002 to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 and the State Single Audit Implementation Act. Accordingly, this report is not suitable for any other purpose.

*Cherry Bekaert LLP*

Raleigh, North Carolina  
January 9, 2024

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

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

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

***Qualified Opinion***

We have audited the City of Greenville, North Carolina's (the "City"), compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission that could have a direct and material effect on the City's major state programs for the year ended June 30, 2023. 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.

***Qualified Opinion on Powell Bill***

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion section of our report, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on Powell Bill for the year ended June 30, 2023.

***Basis for Qualified Opinion on Each Major State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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"), and the State Single Audit Implementation Act. Our responsibilities under those standards, the Uniform Guidance and the State Single Audit Implementation Act are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on compliance for each major state program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

***Matter Giving Rise to Qualified Opinion on Powell Bill***

As described in the accompanying schedule of findings and questioned costs, the City did not comply with requirements regarding the Powell Bill as described in finding number 2023-003 for Reporting.

Compliance with such requirements is necessary, in our opinion, for the City to comply with the requirements applicable to that program.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's state programs.

### ***Auditor's Responsibility for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the State Single Audit Implementation Act which is described in the accompanying schedule of findings and questioned costs as item 2023-003. Our opinion on the major state program is not modified with respect to this matter.

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the noncompliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### ***Report on Internal Control over Compliance***

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a deficiency in internal control over compliance that we consider to be a material weakness.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2023-003 to be a material weakness.

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 audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 and the State Single Audit Implementation Act. Accordingly, this report is not suitable for any other purpose.

*Cherry Bekaert LLP*

Raleigh, North Carolina  
January 9, 2024

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

YEAR ENDED JUNE 30, 2023

**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 U.S. GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_ yes \_X\_ no
- Significant deficiency(ies) identified that are not considered to be material weaknesses \_\_\_ yes \_X\_ none reported

Noncompliance material to financial statements noted \_\_\_ yes \_X\_ no

**Federal Awards**

Internal control over major federal programs:

- Material weakness(es) identified? \_\_\_ yes \_X\_ no
- Significant deficiency(ies) identified that are not considered to be material weaknesses \_X\_ yes \_\_\_ none reported

Noncompliance material to federal awards \_\_\_ yes \_X\_ no

Type of auditor’s report issued on compliance for major federal program: Unmodified

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

Identification of major federal programs:

<b><u>Federal Assistance Listing Number</u></b>	<b><u>Name of Federal Program or Cluster</u></b>
14.218	Community Development Block Grant
20.205	Highway Planning and Construction
21.027	COVID 19: Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B Programs \$750,000

Auditee qualified as low-risk auditee? \_\_\_ yes \_X\_ no



**CITY OF GREENVILLE, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

*YEAR ENDED JUNE 30, 2023*

**Section I – Summary of Auditor’s Results (continued)**

**State Awards**

Internal control over major state programs:

- Material weakness(es) identified?  yes  no
  
- Significant deficiency(ies) identified that are not considered to be material weaknesses  yes  none reported

Noncompliance material to state awards  yes  no

Type of auditor’s report issued on compliance of 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**

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

**CITY OF GREENVILLE, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

*YEAR ENDED JUNE 30, 2023*

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**Section II – Financial Statement Findings**

None reported.

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

**Finding: 2023-001**

**US Department of Housing and Urban Development**  
**Assistance Listing Number 14.218**  
**Program Name: Community Development Block Grant**  
**Nonmaterial noncompliance - Reporting**

**Criteria:** In accordance with the Federal Funding Accountability and Transparency Act (FFATA) prime contractors awarded a Federal contract subject to Federal Acquisition Regulation clause 52.204-10 are required to file a FFATA subaward report for subcontracts greater than \$30,000.

**Condition:** The City had one subaward of \$30,000 in the current fiscal year and did not complete or submit the FFATA report during the current fiscal year.

**Effect:** The City is not in compliance with the reporting requirements related to the program.

**Questioned costs:** None noted.

**Cause:** The City was unaware of the requirement to file the FFATA report.

**Recommendation:** We recommend the City review all grant agreements to ensure all applicable reporting requirements are properly completed each year going forward.

**Management's Response:** Management agrees with the finding and is implementing procedures to correct this which is discussed in the corrective action plan.

**Finding: 2023-002**

**US Department of Housing and Urban Development**  
**Assistance Listing Number 14.218**  
**Program Name: Community Development Block Grant**  
**Nonmaterial noncompliance – Special Tests and Provisions**

**Criteria:** Community Development Block Grant funds cannot be obligated or expended before receipt of HUD's approval of a Request for Release of Funds (RROF) and environmental certification in accordance with 24 CFR 58.

**Condition:** The City did not complete the RROF in current fiscal year and therefore the City obligated and expended program funds before HUD approval.

**Effect:** The City is not in compliance with the requirements of the program.

**Questioned costs:** None noted.

**Cause:** Management oversight in the transition of key employees.

**Recommendation:** We recommend the City implement a process to ensure all reporting and requests for the grant are completed each year going forward.

**CITY OF GREENVILLE, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

*YEAR ENDED JUNE 30, 2023*

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**Section III – Federal Award Findings and Questioned Costs (Continued)**

**Management’s Response:** Management agrees with the finding and is implementing procedures to correct this which is discussed in the corrective action plan.

**Section IV – State Awards Findings and Questioned Costs**

**Finding: 2023-003**

**North Carolina Department of Transportation**

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

**Material noncompliance - Reporting**

**Criteria:** Interest income earned on Powell Bill funding must be reported on the Powell Bill Expenditures report and should become a part of the Powell Bill fund account to use for eligible Powell Bill purposes in accordance with NCGS § 159-30(e) and NCGS § 136-41.3.

**Condition:** The City did not report interest income earned on Powell Bill funds during the year on line R100 in the Revenue section of the Powell Bill Expenditures Report for fiscal year 2023.

**Context:** Powell Bill funds were not increased by interest earned during the year ended June 30, 2023.

**Effect:** Interest income, when allowable, was not correctly recorded and returned to the state agency or applied against the program expenditures in accordance with program requirements.

**Questioned costs:** \$123,758 in interest income for fiscal year 2023 should be added to the Powell Bill funding.

**Cause:** Management oversight in the preparation of the annual reporting.

**Recommendation:** We recommend the City implement a process to ensure all applicable interest income on Powell Bill funds are properly included in Powell Bill revenues each year going forward.

**Management’s Response:** See corrective action plan.

**Proposed Completion Date:** June 30, 2024

**CITY OF GREENVILLE, NORTH CAROLINA**  
**SCHEDULE OF PRIOR AUDIT FINDINGS**

*YEAR ENDED JUNE 30, 2023*

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**Section V – Summary Schedule of Prior Audit Findings**

None noted.

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## FINANCIAL SERVICES

**Finding:** 2023-001

**Name of contact person:** Jacob Joyner, Director of Financial Services

**Corrective Action:** The City will add review steps to ensure that all applicable reporting requirements are met.

**Proposed Completion Date:** February 1, 2024

**Finding:** 2023-002

**Name of contact person:** Jacob Joyner, Director of Financial Services

**Corrective Action:** The City will add oversight over the requests and reporting of grants to ensure that all steps are completed correctly.

**Proposed Completion Date:** February 1, 2024

**Finding:** 2023-003

**Name of contact person:** Jacob Joyner, Director of Financial Services

**Corrective Action:** The City will complete a monthly analysis to assign interest income to the Powell Bill program

**Proposed Completion Date:** February 1, 2024

**CITY OF GREENVILLE, NORTH CAROLINA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

YEAR ENDING JUNE 30, 2023

Grantor/Pass Through Grantor/Program Title	Project Code	Federal AL No.	Grant Number	State/ Pass-through Grantor's No.	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Pass-through to subrecipients	Local/ City Match	Total Exp
		1(a)(b)		1(c)	1(c).2	1(d)	1(e)		
<b>FEDERAL FINANCIAL ASSISTANCE:</b>									
<b>CASH PROGRAMS</b>									
U.S. Department of Treasury									
Direct Programs-									
American Rescue Plan Act									
Coronavirus State and Local Fiscal Recovery Funds (ARPA)									
	SLFRF	21.027			813,419				813,419
<b>TOTAL U.S. Department of Treasury</b>					<b>813,419</b>				<b>813,419</b>
<b>Community Development Block Grant-Entitlement Grants Cluster</b>									
	CBGCV	14.218	B-20-MW-37-0020		28,264		105,971		134,235
	CDBG18	14.218	B-18-MC-37-0020		7,981				7,981
	CDBG19	14.218	B-19-MC-37-0020		13,851				13,851
	CDBG20	14.218	B-20-MC-37-0020		249,111				249,111
	CDBG21	14.218	B-21-MC-37-0020		598,728		43,277		642,005
	CDBG22	14.218	B-22-MC-37-0021		265,387		67,460	268,556	601,403
<b>TOTAL CDBG GRANTS ENTITLEMENT GRANT CLUSTER</b>					<b>1,163,321</b>		<b>216,708</b>	<b>268,556</b>	<b>1,648,585</b>
<b>Home Investment Partnership-P Entitlement Grant</b>									
	HARPA	14.239			6,479		-		6,479
	HOM16	14.239	M-16-MC-37-0211		20,000				20,000
	HOM18	14.239	M-18-MC-37-0211		318,480				318,480
	HOM19	14.239	M-19-MC-37-0211		9,470				9,470
	HOM20	14.239	M-20-MC-37-0211		55,996				55,996
	HOM21	14.239	M-21-MC-37-0211		159,794				159,794
	HOM22	14.239	M-22-MC-37-0211		20,000			403,054	423,054
<b>TOTAL HOME INVESTMENT PARTNER SHIP</b>					<b>590,220</b>		-	<b>403,054</b>	<b>993,274</b>
<b>Total U.S. Department of Housing and Urban Development</b>					<b>1,753,541</b>		<b>216,708</b>	<b>671,610</b>	<b>2,641,859</b>
<b>US Department. of Justice</b>									
<b>Direct Program</b>									
	CV19	16.03			11,060			-	11,060
<b>US Department of Public Safety</b>									
	VIPER	16.710			38,720			-	38,720
	GCC22	16.71			24,500			-	24,500
	GCC23	16.710			20,425			-	20,425
	JAG20	16.738			21,972			-	21,972
	JAG21	16.738			15,283			-	15,283
	JAG22	16.738			3,930			-	3,930
	FFIUS	16.922			224,662		-	-	224,662
<b>Total U.S. Department of Justice</b>					<b>360,552</b>				<b>360,552</b>

<b>US Department of Transportation</b>							
Direct Programs							
<b>Highway Planning and Construction Cluster</b>							
Metropolitan Transportation Planning and State and Non Planning Research & Special Studies	MPO20	20.205	PL-104	250,234		31,279	312,792
Metropolitan Transportation Planning and State Non-Metropolitan-5303	PWP	20.505	PL-104	41,784		5,223	47,007
Passed Through NC Public Transportation Division Construction-South Tar River Greenway-STRG3	STRG3	20.205	EB-5539	960,352		12,234	972,586
<b>Total Highway and Planning</b>				<b>1,252,370</b>	-	-	<b>1,332,385</b>
<b>Federal Transit Cluster</b>							
Covid-19 Federal Transit-Formual Grants-PM-NC-2020-061-00	NC-2020-061-02	20.507	NC-2020-061-02	245,185	-	3,646	248,831
Covid-19 Federal Transit-Formual Grants-ADA-NC-2020-061-00	NC-2020-061-01	20.507	NC-2020-061-01	311,022	-	22,338	333,360
Covid-19 Federal Transit Formula Grants-OPS NC-2023-0029	NC-2023-0029-00	20.507	NC-2023-0029-00	206,573		209,662	416,235
Federal Transit Formula Grants-003-OPS	NC-2020-003-00	20.507	NC-2020-003-00	-	-	-	-
Federal Transit Formula Grants-025-OPS	NC-2020-025-00	20.507	NC-2020-025-00	156,754		78,582	235,336
Federal Transit Formula Grants-025 PM	NC-2020-025-00	20.507	NC-2020-025-00	64,166		16,042	80,208
Federal Transit Formula Grants-003-PM	NC-2020-003-00	20.507	NC-2020-003-00	258,626		20,661	279,287
<b>Total Federal Transit Cluster</b>				<b>1,242,326</b>	-	-	<b>1,593,257</b>
<b>Total US Department of Transportation</b>				<b>2,494,696</b>	-	-	<b>3,996,642</b>
<b>Department of Health and Human Services</b>							
NC Dept. of Environmental Quality-ARPA	CW26914	93.238		105,000	-	-	105,000
<b>Total Department of Health and Human Services</b>				<b>105,000</b>			<b>105,000</b>
<b>TOTAL- Federal Assistance</b>				<b>5,527,207</b>	-	<b>216,708</b>	<b>1,071,277</b>
							<b>6,846,472</b>

CITY OF GREENVILLE, NORTH CAROLINA

Year Ended June 30, 2023

Grantor/Pass Through	Project Code	Federal AL No.	Grant Number	State/Pass-through Grantor's No.	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Pass-through to subrecipients	Local/ City Match	Total Exp
<b>STATE OF NORTH CAROLINA FINANCIAL ASSISTANCE</b>									
Cash Assistance									
<b>North Carolina Department of Natural and Cultural Resources</b>									
North Carolina Museum of Natural Sciences									
North Carolina Museum Grant									
	NCMG					23,010			23,010
<b>Total North Carolina Department of Natural and Cultural Resources</b>						<b>23,010</b>			<b>23,010</b>
<b>Department of Transportation</b>									
Division of Highways-									
Powell Bill Funds									
		DOT-4	20026714			1,344,994	-		1,344,994
Public Transportation Division									
						31,279			31,279
State Planning and Research/MPO									
	PW-MPO	DOT-12	20-08-11			5,223			5,223
State Maintenance Assistance Program									
				DOT-9		475,253		358,392	833,645
ROAP Grant									
		EDTAP				12,673		-	12,673
<b>Total of North Carolina Department of Transportation</b>						<b>1,869,422</b>	<b>-</b>	<b>358,392</b>	<b>2,227,814</b>
<b>Department of Public Safety</b>									
Support Team Assisted Response (STAR) House Bill -NDA-153									
	STAR		DRH10402			65,259		-	65,259
<b>Total Department of Public Safety</b>						<b>65,259</b>	<b>-</b>	<b>-</b>	<b>65,259</b>
<b>TOTAL STATE GRANTS</b>						<b>1,957,691</b>	<b>-</b>	<b>358,392</b>	<b>2,316,083</b>
<b>TOTAL ALL GRANTS</b>					<b>5,527,207</b>	<b>1,957,691</b>	<b>216,708</b>	<b>1,429,669</b>	<b>9,162,555</b>



# NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

## **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, 2023. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of the City of 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.



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